THE FINANCIAL POST

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CAUTION SIGNAL HELD OUT IN THE BUSINESS WORLD

Inflation May be Checked by Conservative Course

LABOR BIG FACTOR

Tendency of Workers by High Wages and Short Hours to Take All Profits Again Forcing Prices Up

The upward trend in prices, which has been definitely indicated for some time in the iron and steel, textile, paper, lumber and other industries in which labor plays an important part in the cost of production, is undoubtedly now passing into a stage which may be called inflation and in which a reaction is seemingly inevitable. The extent and duration of the next period of readjustment will depend very largely upon the factors affecting the supply of labor and the wages exacted by the strong unions. If workers will take a fair return for their production, if additional labor can be secured and if the cost of living can be kept down to a basis where the farmer can show a fair margin of profit on the proceeds of his activities, then we should be able to get back to a more healthy and solid foundation without serious disturbance to business. But reports of rapidly-rising prices for commodities, high wages backed by the demands of the strongly-entrenched unions, a disposition on the part of Ottawa to obey the demands of the union leaders in maintaining the barriers against new workers and the indications of recovery of European agricultural production rather than buying power all give close students of the situation reason to go forward carefully.

The labor shortage is the most definite of the factors bringing about this new period of inflation. For months there has been a rising tendency on the part of wages for common labor, as indicated in the steel, lumber and construction industries. It was for this class of labor that wages were chiefly affected during the break from the boom peak; well-organized classes took few reductions, preferring idleness to working on a lower scale. The shortage of workers has been aggravated by the restrictions against immigration. These regulations were properly designed to prevent the "Red" element of Europe flooding the country and have evidently been retained because of the influence of the "Pink" element at home.

More Work for Good Wages

There must be further adjustments in this labor situation before healthy conditions of prosperity can be looked for. This does not necessarily mean a lower standard of living. But it does mean that labor shall accept a reduction in accordance with the adjusted cost of living which has borne so heavily on the profits of the farmers. And it means that more work should be done for the wages paid, so that prices may be brought down to a level to encourage that large consumption of goods which means a benefit to the mass of the people and general industrial activity.

The emphasis which is placed upon the limitation of the number of immigrants as a means of restricting the labor supply is the outgrowth of a wrong conception of the economic consequences of such a policy. A scarcity of labor which unduly forces up wages is not socially defensible merely because the nominal wages of a large part of the workers are made higher than they would be without the restrictions upon numbers. The extra costs are widely distributed and are borne in large part by the wage-earners themselves.

Caution Signals

"Caution signals" are being held out as regards the business situation in the United States, according to Hayden, Stone & Co., who think that it is "just as well that this should be so," but add that at the same time they consider that the situation is sounder than it was in 1919 because "there has not been the attempt to anticipate customers' wants, with the consequent result of loading up with high-priced inventories that there was at that time." Further:

Of course, this process is, to a certain extent now under way; people are always more anxious to buy and anticipate wants on a rising than on a falling market, and if the period continues long enough, business concerns may ultimately get in the same dangerous position as four years ago; but so far there has been a commendable degree of caution. The result is that while there have been substantial advances in raw commodities, there has not been, by any means, the crazy excitement and the perpendicular advances that characterized 1919, and which would invite inevitable and almost immediate reaction. No doubt such advances as there have been have been stimulated to some extent by speculation, owing to the ease with which money may be borrowed; but for the most part, it represents genuine demand.

The point of these remarks is that, if the same degree of caution and common sense is observed from now on that has been up to this time, there is no reason why a large volume of business at profitable prices, should not continue to

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Mining Stock Exchange Will Open in Montreal

From Our Own Correspondent.

MONTREAL. — Montreal's mining exchange will re-open next week after being closed for some time. It is understood that there are about eight firms on the exchange which will do its trading at 55 St. Francois Xavier Street.

The Montreal Mining Exchange is quite an old institution but temporarily suspended its activities last fall. There is considerable trading in mining securities in Montreal and the possibility of mines being opened up in Northern Quebec as well as in Northern Ontario is lending some impetus to mining investments in this province.

CANADA'S TRADE IN CUBA IS IMPORTANT

Sir Herbert Holt Indicates How Wide is Market for Food Products

From Our Own Correspondent.

MONTREAL.—How really important Cuban trade is to Canada is apparent from an interview Sir Herbert Holt, president of the Royal Bank gave to THE FINANCIAL POST this week on his return from Cuba. "Cuba buys a great deal of flour and large quantities of potatoes from Canada. In fact Cuba produces neither of these essential commodities and must import them from either Canada or the United States." Canada was now getting a large part of this trade, said Sir Herbert. Prince Edward Island and Nova Scotia particularly have built up a good trade in potatoes with Cuba.

Sir Herbert had not heard any discussions in Cuba regarding the suggested retaliation against Canada on account of the preferential tariffs this country gives Cuba's British owned neighbors and which was discussed in THE FINANCIAL POST two weeks ago. He was therefore unable to discuss the Cuban trade situation further.

There is more stability in Cuba now, said the Royal Bank head to THE POST. American and Canadian investors in the Cuban sugar industry were bringing better methods at work and speculation was not as rampant. As a result there was more general prosperity. The operations of the Royal Bank, which dominates the banking situation on the island, were characterized as very satisfactory.

Sir Herbert was struck by the development of sugar plantations. Three years ago when he was on the island he traversed an almost barren tract of land. Now this land had been opened up by the Cuban Northern Railroad to such a degree that $50,000,000 had been invested along the route.

RUSSIAN WHEAT MAY LOWER PRICE OF CANADA CROP

Keen Competition Looked For in Export Markets

From Our Own Correspondent.

OTTAWA.—The members of parliament from the Western provinces are keenly interested in cables from Europe to the effect that Russia expects to export 20,000,000 bushels of wheat during the present crop year. To many of them this is the most important news of the day, for they are inclined to think that this means lower instead of higher wheat prices. Reports also of shipments to Germany pretty well disposed of the prospects of much increased sales to that country, on which the United States has been counting.

Europe is not buying much wheat from Canada just now, unless she is taking it through British buyers. Of total exports during January amounting to 9,739,556 bushels, all but 1,372,386 went to the United Kingdom. Italy was the chief European buyer, taking 451,927 bushels, Portugal being second with 264,000, followed by Switzerland 220,800, and the Netherlands, 158,161 bushels. No shipments to Germany are recorded.

How rapidly Canada is coming to the front as an exporter of wheat is evident from the fact that during 1922 she shipped out 209,339,000 bushels, as compared with 164,691,000 by the United States. This is a great change from, say, 1896 when Canada exported a little under 10,000,000 bushels. From present indications it is only a matter of time until the United States will be compelled to import considerable quantities of wheat from this country.

Canadian Converters Increases Turnover

From Our Own Correspondent.

MONTREAL.—Canadian Converters is nearing the end of its fiscal year. The company has increased its turnover considerably this year, but owing to the reduced prices the margin of profit is somewhat smaller. Net profits will probably be only slightly larger than last year, it is understood. The company's stock has advanced during the year and is now close to par, showing a yield of just over 7%.

WAR TAX SEVEN TIMES AS LARGE AS DURING WAR

This Fact Revealed by Publication of Canadian Government Accounts

From Our Own Correspondent.

MONTREAL. — Publication of the public accounts of the Dominion reveals the fact that during the last fiscal year the Dominion Government collected in so-called "war taxes" seven times as much as was collected in "war taxes" in any complete war year, and three and a half times as much as was collected in the year in which the war ended.

War tax revenue includes bank, trust and loan and insurance company taxes, business profits, income tax, sales tax, cheques and transportation tax, etc. The yearly totals have been as follows:

1915	$ 98,057
1916	3,620,782
1917	16,302,238
1918	25,379,901
1919	56,177,508
1920	82,079,802
1921	168,385,327
1922	177,484,161

Earlier Publication Planned

In the future it is understood that the public accounts of the Dominion will be available some months in advance of the date that at present sees their arrival upon the scene. The amendments to the Audit Act provide for the closing of the books of the government sharp on March 31 each year, and make this reform possible. In the past, changes in the books have straggled in for months after the end of the fiscal year and the result has been that the public accounts were seldom available until about one year late. The 1922 public accounts were issued this week but under the new arrangements the 1923 accounts will likely be available in early fall.

With the issuance of the public accounts it is possible to account with accuracy for the increase in the national net debt for the year ended March 31, 1922. The increase totalled $81,256,818 and the reasons therefor are set out in this table:

Railway ad.	$97,950,645	
Harbor ad.	14,600	
Capital ex.	16,295,333	
Special ex.	1,526,583	
		$115,787,161
Less		
Surp. for year	$34,391,696	
Realizat'n non-active assets	138,647	
		$ 34,530,343
Increase in yr.		$ 81,256,818

Actual increase in the net debt each year since 1912 is shown in this table:

	Net debt	Inc. or Dec. for year
1912	$ 339,919,460	—$ 122,591
1913	314,301,626	— 25,617,835
1914	335,996,850	+ 21,695,224
1915	449,376,083	+113,379,233
1916	615,156,171	+165,780,088
1917	879,186,298	+264,030,127
1918	1,191,884,062	+312,697,765
1919	1,574,531,032	+382,646,970
1920	2,248,868,624	+674,337,591
1921	2,340,878,984	+ 92,010,360
1922	2,422,135,802	+ 81,256,818

Capital Expenditures Lower

Analysis of the expenditures for the period indicate that capital expenditures were the smallest since 1906 and totalled $16,295,332 as against over $40,000,000 in 1921 and over $69,000,000 in 1919-20. Total expenditures chargeable to consolidated fund showed a decline in the year from $361,118,145 to $347,560,690 but total consolidated fund receipts also declined from $434,386,536 to $381,952,287.

DOUBLE TAXATION UNDER NEW RULING

Unless Further Changes Are Made by Income Tax Department

From Our Own Correspondent.

MONTREAL. — Although the department of income tax is making its plans to tax business profits without allowing bond interest paid to be deducted, no provision has definitely been made to exempt bond interest received by individuals from the normal income tax.

Obviously such a situation means double taxation of such bond interest and undoubtedly provision will be made to overcome the anomaly. It is hardly likely though that anything will be done until the board of arbitrators and the Exchequer Court between them settle finally the question as to whether the department's ruling on bond interest will be allowed to stand. In the meantime bondholders must make out this year's returns without regard for the new rulings. Those who have inquired if they may deduct bond interest from their statement have been informed that bond interest is not exempt from the normal rates of taxation.

Canada Ranks Third As a Gold Producer

With a total of $26,500,000 in gold in 1922 as compared with $19,400,000 in 1921 and $16,500,000 in 1920, Canada is again in the position of being the only country in the world to increase her output in the year. The Dominion is now the third largest producer of gold in the world and ranks second within the Empire.

Farmer, Greatest of Gamblers; Billion at Stake on 1922 Crop

When the 1922 wheat crop was placed in the ground the Canadian farmer became a speculator to the extent of $1,152,560,159. This is the difference between the high return that he may have received for his crop and the lowest possible return based on a five-year average. The acreage used is the actual. The farmer's speculation is a double one: first that his crops will survive the elements and produce a crop with a good yield, and then the price he will receive for it.

The Federal Bureau of Statistics gives the wheat acreage for 1922 as 22,422,693. The actual harvest was 399,858,100 bushels of wheat with an estimated value of $339,419,000. The average yield was 17½ bushels.

But the farmer had a chance to do better. His crop speculation might have brought him the yield of 1915, 26 bushels, and the market might have brought him the price of 1919, $2.37. This would have meant a crop of 562,989,018 bushels of wheat and the high price would have netted a return of $1,334,183,972.

But the farmer might have done worse. His acreage of 1922, instead of giving the average yield it did, might have produced on the level of 1919, 10 bushels to the acre, and then when the farmer went to the market he might have met the 1921 price of 81 cents. His total yield would have been 224,226,693 bushels and the price return $181,623,813.

Thus we have the farmer as a speculator for the sum of $1,152,560,159, as that is the difference between what might have been the return on the 1922 acreage on a basis of the past previous high and the past previous low. These figures in tabular form follow:

	Bushels	Av. yield	Av. val.	Total val.
Actual	399,858,100	17¾	.85	$ 339,419,000
Potential High	562,989,018	26	2.37	1,334,183,972
Possible Low	224,226,930	10	.81	181,623,813

The potential wheat crop for the past five years has been around 300,000,000 bushels, while the actual average has been around 228,000,000, or a loss each year of 130,320,000. Of course, the farmer might have lost more. The first-year yield might have been lower than an average of 13.50 bushels and the price might have been lower than an average of $1.81. For on actual field crops for given years the returns show a material speculation. Take as an example of this, two years removed from one another by a twelve-month, and some striking figures as to the speculation in crops are received. These years, 1919-21, show that the former crop total was 6½ million acres less than 1921, yet the 1919 yield was just about $6,000,000 greater than 1921. This is another evidence of the speculative nature of following the plow. The figures:

Year	Crop Acreage	Crop Value
1921	59,635,436	$ 931,963,670
1919	53,049,640	1,53[illegible],170,100

Manitoba Will Amend the Rural Credits Legislation

That is Indicated by Policy Announced by Government—Champions of System Would Extend the Scope of the Inquiry

From Our Own Correspondent.

WINNIPEG.—The Bracken government's enunciation of policy affecting rural credits in the legislature on Monday indicates a determination to put through amendments to the act. It is improbable that administration changes will operate immediately. Provincial Treasurer Black, outlining the government's stand, affirmed adherence to the principle of rural credits and promised to place administration upon as sound a basis as possible as early as possible. He forecast no undue pressure against present borrowers and undertook to make the system self supporting.

The premier said that until changes can be made the government will carry on as at present, but that by another year plans will have been made to have the rural credits department paying its way.

The organized opposition which has arisen against the Jackman-Collyer report must have been foreseen by Provincial Treasurer Black when he tabled in the House the results of the recent inquiry. The reply from the Council of the Federated Rural Credits Societies is virtually a wholesale denial of the Jackman-Collyer indictment. When any admission is made the rural credits heads rely upon the plea that "the rural credits societies have been the means of keeping farmers on the land."

The Council of the Federated Rural Credits Societies asked the government to institute an accurate and thorough investigation into all loans and into the present position of the rural credits societies. The members of the Council maintain that the government commission's probe was of entirely too cursory a nature and therefore both "unfair and inaccurate."

After Prof. Jackman

The Council's report complains that, "instead of a practical man being upon the commission, a professor in economics of Toronto University was appointed, with Mr. Collyer, a farmer, and these gentlemen had as their assistant a Mr. Mitham, an employee of the Union Bank of Canada on leave of absence." The report further complains that the commission's return to the government is not consistent with Prof. Jackman's earlier attitude nor with his report for the Ontario government. "It is a matter of wonder," opines the Council's statement, "whether Prof. Jackman's report to the Ontario government, prepared after many months of careful investigation and study, is the correct report or whether this report prepared in a short time and in its sloppy and unbusinesslike manner is to supersede it. Has Mr. Jackman notified the Ontario government that his previous report was all wrong and that the rural credits in Ontario should be abandoned?"

The Council's statement charged that "so unfair to the system and to the directors does the (Jackman-Collyer) report appear that it gives a basis for an opinion that there were other interests with ulterior motives working deliberately toward the end which would be prejudicial not only to rural credits but to all citizens of the province."

The Council's side of the tangle, as revealed in its statement to the government, is in part as follows:

"The statement is made that there is a peculiar temptation to use rural credits funds in an excessive degree for capital investment. Certain forms of capital investment are authorized under the Act and any loans that have been granted for this purpose have been strictly in accordance with the terms of the Act. It is so evident to everyone of ordinary intelligence that the security behind a rural credits loan is infinitely better than the security behind a bank loan of equal standing that it calls for no further comment.

"The assertion is made that in many cases the only possibility of liquidation is through the seizure and sale of the borrower's implements and livestock. The condition of all farmers in this country is far from being on a satisfactory basis and if liquidation was insisted on in the immediate future, not only Rural Credits borrowers, but borrowers from other sources would have difficulty in meeting their liabilities. The Rural Credits borrowers have a decided advantage in that the societies do their utmost to get the full value of implements and chattels for the bor-

(Continued on Page 8)

MANY ARE BEING TURNED BACK AT AMERICAN LINE

Labor Influence Still Effective in Keeping Out Workers

From Our Own Correspondent.

OTTAWA.—The immigration returns for February show that immigration from the United States is being kept down through what seems to be over-zealous enforcement of certain regulations adopted some time ago, when it was considered advisable to restrict the inflow of settlers, but which, it has recently been thought, the government is now attempting to get away from.

The number of immigrants rejected at the border during the month was actually two more than the number allowed to enter; that is to say, 644 were rejected, while only 642 were admitted. Of these, 381 were turned back through the regulations passed for the specific purpose of keeping down the inflow at a time when there was considerable unemployment, while 187 were rejected on the ground that they came by indirect passage, that is by way of the United States, instead of direct from the country of origin.

This keeping down of immigration from the Republic, which would not be too heavy at best, is bringing about a marked reduction in the value of American settlers' effects which, in February, fell as low as $316,000, or $82,000 less than the value of the settlers' effects that went south across the boundary line. During the 10 months ending February the value of effects that went south was approximately $1,200,000 more than that of those that entered. Things have thus greatly changed from the days when the value of such effects from the United States alone ran as high as $12,000,000, to say nothing of cash brought in.

The efforts of the Swiss government officials to place settlers here have been encouraging, and although there is work to be had by those who have really had farming experience. The large number of applications sent in by farmers in reply to the Canadian Pacific advertisements for farm help has also shown this to be true.

LABRADOR COAST OWNERSHIP LOOMS UP BIG JUST NOW

With Gold There It Becomes a More Valuable Territory

TWO DOMINIONS CLAIM

Both Newfoundland and Canada Are Strenuously Pressing Their Claims—Sir Lomer Gouin Busy

From Our Own Correspondent.

MONTREAL.—"Who owns Labrador?" That is the big question that has been pending for some years. Newfoundland and Canada have disputed the matter mildly enough without coming to blows or without getting before the Privy Council. The fact of the matter is that as long as the dispute remained unsolved it provided jobs for a few investigators and moreover no one was greatly interested in the bleak and barren Labrador coast anyway. But now the situation is changed.

Gold has been discovered in Labrador. There is no sign of a gold rush similar to the Klondyke affair. Even dreaming prospectors are taking the stories of the richness of the Labrador gold with a pinch of salt. But there is gold there in some quantity at least and a group of claims have been staked out that are likely to be developed this summer to some small extent. And if one of the men of the goldpans should strike pay dirt richly enough there would be given such a boost to the Labrador boundary question as would set even the Privy Council busy.

Quebec Has Big Interest

More progress has been made in settling the dispute than has generally been thought. When Sir Lomer Gouin was premier of Quebec he pressed for a long time upon the Dominion government the desirability of getting the question settled finally in order that Quebec might come into possession of what it considers a rightful part of its public domain. Then Sir Lomer went to Ottawa and joined the Dominion Cabinet as minister of justice. His opportunity came finally to get the long-mooted problem solved. He has had an official of his department at work for over a year doing nothing but prepare a brief for submission to the Privy Council claiming for Canada, it is understood, all of Labrador north of Hamilton Inlet. Newfoundland, too, was busy and it was tentatively agreed that the case would come up before the Privy Council in London this spring or summer. But there are political disturbances in Newfoundland and it now appears that there will be still further delay before the issue comes up for settlement.

A company known as Labrador Goldfields is now selling mining claims in Labrador to Montreal and

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EDITORIAL

The Responsibility of Executives—Bankruptcy Should be Unprofitable—Showing Hydro the Way—When the Government Pays the Piper—Giving the Speculator a Chance—Canada as an Industrial Power.

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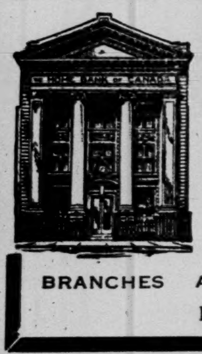

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NOVA SCOTIA TRAMWAYS

The following statement shows earnings of the Nova Scotia Tramways & Power Company for the month of December, 1922, and for the twelve months ending with December 31, 1922:

Month of December, 1922

	1922	1921
Gross earn.	$138,645	$145,742
Op. exp. and taxes ..	107,408	107,303
Net earn...	$ 31,236	$ 38,438
Int. and amort.	19,044	17,224
*Balance	$ 12,191	$ 21,214

12 Months Ending Dec. 31

	1922	1921
Gross earn.	$1,419,471	$1,446,639
Op. exp. and taxes	1,098,785	1,265,001
Net earn...	$ 320,686	$ 181,638
Int. and amort ..	207,648	204,781
*Balance	$ 113,037	$ 23,143

*For reserves, replacements and dividends.

IRON PRODUCTION HAS CONTRIBUTED MUCH TO STATES

Development Shown As Playing Important Part In Progress

TOTAL SOARING

Value of Production Based on Canada's Price and Assessments Give New Ideas

Having in mind the fact that Canada is today spending about $10,000,000 yearly on imported iron ore, or at the rate of about $5 a ton, and also that practically every province possesses vast deposits of iron, some idea of the value of iron ore production can be arrived at by a study of the following production figures of the Minnesota Ranges at different periods:

	Vermilion Range tons	Mesabe Range tons	Cuyuna Range tons
1884 . .	62,112	none	none
1890 . .	891,910	none	none
1892 . .	1,226,220	29,245	none
1900 . .	1,675,949	8,158,450	none
1910 . .	1,390,360	30,576,409	none
1911 . .	1,336,938	23,126,943	181,224
1920 . .	1,053,518	36,641,880	1,757,755
Ttls. end of 1920	44,426,173	561,072,463	11,882,843

This table shows that the Vermilion, during 38 years of shipping, furnished an average of a little over a million tons a year. The Mesabe, during 28 years of shipping, furnished an average for the whole period of about 18,700,000 per year, and during the latter 20 years of that period of over 30 million tons per year, or 30 times more than the Vermilion. The Cuyuna in nine years became a heavier shipper than the Vermilion.

Iron ore production in the United States in 1920, by states:

		Tons
Minnesota		39,453,173
Michigan		17,510,742
Wisconsin		981,134
Ttl. from Lake Superior Dist.		57,945,049
Alabama	5,169,782	
All other states .	768,692	
		5,938,474
		63,883,523

This table and the previous table shows that the Lake Superior District furnished more than 90% of the U. S. iron ore production in 1920, Minnesota more than 60% and the Mesabe Range alone more than 55%. Besides showing the wonderful character of the Mesabe Range over all others, these tables illustrate the wonderful richness of the projection into Minnesota and Michigan of a small fraction of that pre-Cambrian series of rocks of which Canada holds the main body, yet unsearched in any serious way for iron.

Pig iron production in the United States in 1920, by states:

State	Tons	Value
Pennsylvania . .	13,472,814	$448,251,415
Ohio	8,229,770	246,326,276
Illinois	3,238,814	90,736,615
New York	2,415,627	89,416,703
Alabama	2,339,939	76,520,797
Indiana	2,418,048	61,852,856
Total	35,710,227	1,140,904,096

Related to Iron Mining

Annual statistics would show that this enormous production and the growth of same in all these Eastern States is immediately related to the discovery and development of the iron mines of Minnesota and Michigan but in a greater degree than all others to the discovery and development of the Mesabe Range.

Turning to the effect of this iron ore development on the localities in which these mines are situated, some figures in this connection are here inserted.

The Vermilion and Mesabe Ranges are situated in two counties, St. Louis and Itasca, and the Cuyuna in Crow Wing County.

Follow the effect of this development in the following figures:

Total assessment of the iron ore counties of Minnesota at certain periods:

	St. Louis	Itasca	Crow Wing
1880 . .	1,563,532	252,595	307,597
1890 . .	44,390,484	884,824	2,170,875
1910 . .	272,450,359	23,649,878	6,024,009
1913 . .	314,817,268	25,714,507	12,111,989
1922 . .	415,860,626	27,346,500	14,701,169

Note the jump between 1890 and 1910, in the assessment in St. Louis and Itasca Counties, and note that the production of iron ore on the Mesabe Range began in 1892 and that by 1910 it had grown to over 8,000,000 tons, and was on the increase. Note that the first shipment from the Cuyuna Range or Crow Wing County was in 1911, and what happened to the assessment in two years.

Note the further fact not shown in the above table that the assessment of iron properties in St. Louis County alone, exclusive of all other kinds of property, was, in 1922, $256,403,372, and of that the Itasca total $27,346,500, over $17,000,000 consists of iron properties. In St. Louis iron property assessment is about the total assessment of Hennepin Co.

Noting these things, the effect of the development of these iron mines on the localities in which they are situated is very clear.

The assessment figures of the cities and towns producing pig iron from these same iron mines for the corresponding years would, no doubt, demonstrate the same relation of cause to effect, and the same cause is likewise largely responsible for the marked progress during the last 20 years of the United States as a nation.

Walter Gordon Merritt, counsel for Anthracite Policies Committee denounces miners' publicity relating to operators' profits and production costs and asks Coal Commission to place no dependence upon it.

Federal Zinc and Lead May Get British Capital

From Our Own Correspondent.

MONTREAL.—Efforts are being made to raise capital in England for the Federal Zinc and Lead Company. This organization was formed about two years ago to exploit a property in Quebec, and a great deal of development work has been done. A shaft has been sunk to the 250-foot level and drifting and cross cutting have been carried out. While the mine cannot be called a proven property, the work done has indicated very favorable showings of zinc and lead and prospects are excellent for making a mine of the property. Most of the money put into the property to date has been supplied by T. O. Lyall, the president, and his associates.

PRIVATE UTILITIES ARE MORE EFFICIENT

Get Much More Service Out of Every Dollar They Spend

Analysis of the operating costs of privately-owned and municipal utilities shows that the operating costs of municipals is far greater than any other class, according to a statement by the Indiana Public Service Commission. The disposition of each $100 of revenue is shown. The municipal utilities pay much more for coal than the private concerns. More also is paid for wages and salaries by the municipalities, which are to some degree mixed up with politics.

Out of each $100 of revenue received by electric utilities the privately-owned spends $63.93 for operating expenses, whereas municipality-owned utilities spend $73.44 for operating expenses. The figures are based on the reports for 1921.

The following table shows the difference in costs for various items:

	Priv'te.	Own.
Salaries	$3.41	$3.68
Wages	14.35	18.58
Material used on repairs	3.82	6.09
Fuel, current, steam	25.94	36.24
Other operating expenses, including depreciation	16.41	8.85
Total above	$63.93	$73.44
Taxes	7.68	* 000
Total operating exp.	$71.61	
Balance applicable to interest, dividends, surplus, etc..	28.39	25.56
Total	$100.00	$100.00

* Municipally owned utilities do not pay taxes, these being an added tax burden to the citizens of the city served.

PLEA FOR BRITISH MANUFACTURERS

Misunderstanding in England of Policy Regarding American Branch Plant

Recent cable despatches from London in regard to American branch factories in Canada have given a wrong idea of opinion in England. A circular letter distributed to members of parliament in England by the British Empire Producers Organization states:

"Canada is being made the venue of branch factories from the United States, and these factories, which are bringing returns to American capital have the same advantage in regard to the preference as purely Canadian or British Canadian concerns. The manufacturers of the United Kingdom must have some special consideration. Foreign tariffs are doubled against them, and dumping continues. The Safeguarding of Industries Act might be some defence if it were propedly worked, but it is imperative that Government and public body contracts of all kinds should be confined to Empire firms, using Empire materials, and to secure this a substantial margin of preference in tendering should be given in all cases."

Commenting upon the above the London correspondent of two Canadian daily papers in a cable despatch last week made the following statement:

"The truth is that such British tariffs as exist specify exactly to what extent Empire materials and Empire labor must enter into the production of articles for which the preference is sought. If Canada inserted in her British preference requirements that Empire raw materials must be employed the British manufacturer, who draws his raw materials from all corners of the world, would be very badly off."

While it is true that the British Tariff does specify that a certain percentage of Empire materials must enter into the production of articles for which preference is sought, this percentage is only 25. Canada admittedly does not specify a definite amount, but at the same time it does lay down the Customs Tariff that every manufactured article to be admitted under the British Preferential tariff must be bona fide the manufacture of a British country entitled to the benefits of the British preferential tariff, and a substantial portion of the value of the manufactured article must have been produced by labor in one or more such countries. It is perfectly obvious that goods manufactured in Britain, of raw materials drawn from other parts of the world, have more than 25 per cent. of their value added to them in the United Kingdom.

Canada prefers to have the goods she consumes made in Canada. American branch plants are established with both American capital and American brains. British ventures have not been attended with the same success because of failure to meet Canadian conditions and a desire to conduct the business by cable.

About 30,000 coal and ore miners in Alabama affected by 12½% wage increase announced by 25 companies, including Tennessee Coal, Iron & Railroad. Camillus Cutlery Co. of Syracuse increases wages 5% to 10%.

FAT YEARS TAXED WITHOUT THOUGHT FOR LEAN PERIOD

Business Men Protest To Government Against Unfairness

QUOTE U. S. EXAMPLE

If Company Loses Money in One Year It Must Recoup Before Paying Dividends

From Our Own Correspondent.

MONTREAL.—Business men are trying to get the Minister of Finance to give them relief from a situation developing out of the Canadian income tax law. Under the act as it at present stands corporations are taxed upon their net profits. On the other hand they get no allowance for net losses. They are not allowed in the fat years to recoup their losses of the thin years.

Under the Dominion Income Tax Act no allowance is made in the case of incorporated companies for depletion of capital due to operating expenses. If such expense is in excess of the gross profits for any fiscal period the difference is considered as loss of capital. In actual practice it works out that capital so lost must be recovered as the result of further operations before the company can consider distributing its net earnings of a later date to its shareholders in the form of dividends. Later earnings do not come in the category of profits that can be distributed to shareholders until they are sufficient first of all to reimburse the surplus account.

Means Double Taxation.

In the case of a company that has accumulated a surplus in former periods, a surplus which has been taxed as profits when earned, it often happens that this surplus is depleted by subsequent losses that can be restored only from profits in future periods. These profits also are taxable and any dividends that are paid out of the surplus are thus subject to double taxation before they reach the shareholders.

It is conceivable, too, that the result of operations over a series of fiscal periods showing alternate losses in profits might under the present act yield taxes to the Government without the company at any time having profits available for distribution of dividends to the shareholders.

A definite request to the Government to change the Act has been made by at least one group of business men, the Border Chamber of Commerce. This organization asks the Dominion Government to amend the income tax so as to provide that in event of any company sustaining a loss in any year which reduces its capital or its capital and accumulated surplus, the amount of such loss shall be deducted from profits of the company for the succeeding year or years for the purpose of computing the income tax payable for such year. It is further asked that no income tax shall be paid upon profits until such losses are reimbursed to the treasury.

It may be pointed out that under the Income Tax Act of the United States it is provided that losses may be absorbed over a period of three years. It is felt that this works out to the disadvantage of Canada in the development of trade and commerce particularly as the United States is Canada's principal trade competitor.

Great Britain Increases Her Buying in Germany

The detailed statement of Britain's foreign trade in 1922 shows that in spite of the collapse of mark exchange the country's trade with Germany has been increasing. It is true that during recent weeks Germany's enforced purchases of coal in England have overshadowed all other transactions. Nevertheless, during 1922, as a whole, British imports from Germany amounted to £26,500,000, as against £20,500,000 in 1921.

Bonus to Employees By Western Telegraph

The Western Union Telegraph Company has distributed $1,775,000 as a bonus to 35,000 of its 54,000 employees, each employee associated with the company since July, 1921, receiving 4½ per cent. of his July salary as his award.

The company inaugurated its profit-sharing plan in 1920 under which a division of profit was to be made in case the company earned in excess of $11,500,000 on its investments.

Big Increase in Auto Production in January

The recent New York and Chicago automobile shows gave cause for belief that the automobile business will maintain its present basis substantially through the first six months of the year, but with business during the latter part of the year dependent on ability to meet the demand for closed bodies, as well as upon general industrial conditions. January production of vehicles totaled 243,000, which was 152,000 in excess of the January, 1922, output. This increase in the number of units produced is considered by the trade to be a logical movement, since the number of cars manufactured at very low prices is on the increase and since there is a growing business in closed car models obtainable at moderate prices.

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HIGHER PRICES FOR JUTE

Crop In British India Has Been Abnormally Small

Higher prices for jute and jute products have resulted from the shortage of the jute crop in British India, says Commerce Monthly, the magazine of the National Bank of Commerce in New York. The jute crop of British India has been abnormally small for the past three years. While this is due in a large part to reduced acreage, the yield per acre also was low in 1920 and 1921 as compared with the immediately preceding years. In spite of short crops in 1920 and 1921 a considerable quantity of old crop jute was held in India in the fall of the latter year but since that time it has been greatly reduced. A total of 7,250,000 bales consumed and exported seems a conservative estimate which, compared with the smaller crop, indicates to what degree reserve stocks have been cut down.

Another small crop, accompanied by the realization that reserve stocks are being depleted, has resulted in higher prices.

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MONCTON WOULD BORROW

From Our Own Correspondent.

MONCTON, N.B.—The city council has decided to ask the provincial legislature at its approaching session for authority to issue $75,000 worth of 20 year 5 per cent. serial bonds, the money to be expended for permanent paving.

PRIVATE CAPITAL DOES BIG THINGS FOR OLD QUEBEC

Remarkable Development in Lake St. John District

MANY NEW MILLIONS

Being Spent in Development of Resources Which Will be Followed by Industrial Activity

From Our Own Correspondent.

QUEBEC.—The award by the Quebec Government of a contract for the damming of the Chicoutimi and Sable rivers, in Kenogami, Lake St. John, followed next day by the award of the Quebec Development Company, Ltd., of a contract to the Canadian Allis-Chalmers Co. for $1,500,000 worth of hydraulic machinery to be installed at the dam at the Grand Discharge of Lake St. John, directs attention to the development which has taken place in that district—a romance of business as remarkable in its way as any of the stories of progress from the West in brighter days.

Before the Quebec and Lake St. John Railway was built there were hardly 10,000 people in the Lake St. John district. To-day there are nearly 100,000. It is estimated that already $80,000,000 has been spent to develop industries there, mainly pulp and paper making and lumbering. The dairy industry has also become important, and a great tract of country has been put under cultivation. And evidently the district is prosperous, for last year when a large new college was built at Chicoutimi, the people of the district subscribed $600,000 to endow it, while a new church costing $400,000 was opened at Normandie.

Spending Many Millions

The Quebec Development Company, which is building the dam at the Grand Discharge of Lake St. John, plan to spend $30,000,000 or more on power installations there. The company is paying the province certain royalties for the privilege of constructing the dam. Their plans provide for development of a first unit of 300,000 horse power with a capital of $25,000,000, but it is said that eventually it will be possible to develop 1,000,000 horsepower at this dam. At present 500 men are employed on the dam, but this force will be increased to 1,500 in a few months, Mr. H. Stanley, secretary of the Quebec Development Company, stated in an interview.

A few months ago the provincial government had a conference with Price Bros. and the Chicoutimi Pulp and Paper Company, the two principal firms with interests on the Chicoutimi and Sable, with regard to damming these rivers. After obtaining satisfactory guarantees from the companies, the government asked the Running Streams Commission to prepare plans and estimates for the proposed storage dams; and a few weeks ago tenders were asked on the basis of the plans. That of the Nova Scotia Construction for $985,000 has been accepted.

A Big Undertaking

The new dams will be the most important enterprise of the kind since the construction of the Gouin Dam. When completed they will assure the all-year round operation of the Price Bros. and Chicoutimi Pulp and Paper Company and subsidiary enterprises in the Lake St. John district. At present these companies are handicapped by water shortage during the winter and periods of droughts, a handicap which affects a population of about 15,000 people. The contract specifies that the dams must be sufficiently advanced by the spring of 1924 to assure a head of water of 108 feet and to be completed by Nov. 1, 1924, with a total head of 115 feet.

Speculation Follows in Van of Higher Prices

The upward tendency of prices continues in many lines. This spells increased profits and, ultimately, increased returns to investors. This is responsible in a great measure for much of the stock market activity. Caution, however, is the keynote that should be constantly sounded from now on. The Cleveland Trust sizes the situation up pointedly and well, as follows:

"As business recovery develops into full prosperity, the prevailing sentiment in commerce and industry is changing from cautious hopefulness to enthusiastic optimism. This change of attitude is reflected in the stock market, where quotations have been advancing and the volume of transactions increasing. It is evident in the trade reports of a long list of industries which tell of increases in prices and predict still further upward movements. It is even more clearly apparent in the current actions of important corporations in such lines as iron and steel, building construction, automobiles and trucks, petroleum, railroad equipment, agricultural implements, and so on, which are revising and extending their programs of production so as to increase their output. This is the part of the business cycle which affords opportunity, rewards enterprise, and calls for caution."

IRON AND STEEL

Important Increases Shown in Production in January

The production of pig iron showed an increase of 4.848 tons or 15% in January, the advance being from 35,891 tons in December to 40,739 tons in the month under review. This represents an increase of 26.6% over the output of the corresponding month of 1922 and an increase of 11% over the average production of the corresponding month in the last two years.

The steel production during January increased 1,306 tons or 2.8% over the output of the previous month, advance being from 46,653 gross tons to 47,961. The output in January was also in excess of the production of the corresponding month of last year.

PAPER PRICES STRONG AND MILLS BENEFIT

Newsprint Contracts May be Renewed at $5 a Ton Higher Price

From Our Own Correspondent.

MONTREAL. — Canadian paper mills are benefiting from higher prices in the United States. Especially in the finer grades there has been substantial improvement in market prices since the first of the year. Book papers have advanced $5 to $10 a ton, and writing paper $5 to $20 a ton since January first. Newsprint is quoted $80 in New York, but the $75 rate still applies on contracts. These contracts cover the period to July 1 next in most cases, though some papers have arranged for their entire 1923 requirements at the $75 price.

Looking forward, further strengthening of prices is expected, confirming the forecast of C. Howard Smith, president of the Howard Smith Mills, which was quoted in last week's issue. In newsprint, discussion centres around the possibility of expiring contracts in July being renewed on the $80 basis.

Among the mills interested in higher prices on the fine grades of paper are Howard Smith, Provincial, Brompton, and Wayagamack.

PUBLIC OPINION DOMINATING THE NATIONAL RAILS

Evidence That People Will Go Over Heads of Directors

From Our Own Correspondent.

OTTAWA.—The protests of the business interests over the western boundary of the Atlantic division of the Canadian National system have had some effect, this being evident from the reply of Sir Henry Thornton to the St. John Board of Trade in which he speaks sympathetically of the position of the Maritime Provinces and asks that the present division of operating territory be given a trial.

This incident is not without its significance, for it shows that sectional influences, against which Sir Henry Thornton spoke so strongly at Pittsburgh, are bound to influence, to some extent, the policy of the National system, and to the extent that this is done, to that extent it will be impossible to run the system on a purely business basis.

There is no doubt that in taking the attitude he did towards the Maritime Provinces, Sir Henry Thornton saved both the government and himself much trouble; for it is certain that owing to the pressure from the business interests down by the sea, the members of parliament would have had to bring the matter up in the House, had nothing been done. The government, in its own defence, would have had to do something, for it is understood that the Conservative proposal for the Atlantic division to be operated from Moncton was that

(Continued on Page 15)

Why Co-operative Societies Have Failed in Canada

Incompetent Management One Cause, But Chief Difficulty is Independent Pioneer Spirit Which is Indifferent to Assistance or Co-operation

By JAMES MAVOR, Ph. D.

Strenuous efforts have been made both in Canada and in the United States to promote co-operative distribution and sometimes co-operative production. In a few isolated cases co-operative societies have succeeded so long as the enthusiastic initiators were alive or so long as they continued in the faith, working patiently with the hope that was in them. In general however, co-operative enterprises have not succeeded. They have been converted into ordinary joint stock concerns, they have survived in a small way or they have succumbed.

In Great Britain co-operation is very usual among the middle and upper classes. These belong in great numbers to the Army and Navy, the Civil Service and other similar co-operative stores and the members of these make practically all their purchases from or through "the stores" as a matter of course. Among the working people also especially in the North of England and in the west of Scotland, co-operative stores carry on a retail business, very large in proportion to the total retail trade. The wholesale societies the capital of which is subscribed by the retail societies buy collectively for all of these and manufacture for their known requirements. Thus the Scottish Wholesale Co-operative Society has large flour mills in Edinburgh, furniture factories, clothing factories, etc., in Glasgow and the English society has shoe factories in Nottingham (in which for many years large quantities of leather tanned in Canada have been used) biscuit factories, in Leicester and numerous other fatories in various towns. It has also a line of steamers trading between Grimsby and Copenhagen for the transport of the Danish milk products which they import. The two societies generally co-operate in foreign purchases. They are for example the largest buyers in the New York produce exchange.

If these things can be done in Great Britain, it is very natural to suppose that they can be done in Canada and the United States. Many well meaning and enthusiastic people have thought that they could, and especially during recent years there has been an active campaign for co-operation going on in the United States and in this country.

Yet the results have not corresponded to the efforts expended in producing them. Why?

There seem to be two reasons. One is that the difficulties which attended the organization of the co-operative societies during the early phases of the co-operative movement in Great Britain, have been experienced on this side of the Atlantic—the other reason lies in the psychology of the people. Canada and the United States.

The co-operative societies in England encountered at an early phase of their careers the difficulty of obtaining competent management for co-operative enterprises arising either out of the positive absence from the market of managers competent through temperament and training, out of injudicious selection of managers, out of reluctance on the part of the co-operative committees to pay the market value of competent management, or out of interference with the managers by the committees of the societies who were sometimes apt to take an exaggerated view of their functions.

This handicap of incompetent management now affects co-operation, especially in Canada. It is permissible to argue that the phase of incompetence through which co-operation in England passed, may also be passed by co-operation in Canada. This may be true and were incompetent administration the only difficulty to be encountered by co-operation, it might be overcome. But such is not the case. The cardinal difficulty is the difference between aggressive Canadianism or Americanism and explicit abnegation of aggressiveness which is involved in co-operation.

The heart of the people in both countries is towards individual, rather than towards co-operative action. The maxim of "every man for himself" is by no means exclusively prevalent on this side of the Atlantic but it is at least widely employed as the maximum of practical action. The spirit of the pioneer is an independent and vigorous spirit, indifferent to assistance and even more so to co-operation. The energetic man is "out for himself," he can look after his own bargains and his own needs. In the western regions of both countries he was quite prepared to look out for his own defence; he relied on no police to protect him.

The pioneer spirit is, in effect, pervasive throughout North America. Thus co-operation is handicapped at its start. Co-operation involves, or is supposed to involve, a certain moral and social attitude which is on the face of it inconsistent with aggressive individualism. Although even the most aggressive individualism relies for the basis of its action upon the co-operation of mankind, yet the individualist must find himself in hostility to an explicit movement for co-operation in which the conspicuous persons are known by him to be indifferent men of affairs who seem to want others to co-operate with them because they have found themselves unable to stand alone.

It must be remembered that the type of workingman to which the Rochdale pioneers belonged cannot be said to exist either in Canada or in the United States. In the latter country and to a certain extent in the former, the working people form by no means 20 compact groups as the Rochdale people of eighty years ago. The present groups are composed of people belonging to numerous races, speaking numerous languages, unaccustomed to associate together excepting in the factory in which they are employed. A co-operative society to which people of many races might belong would be very difficult to organize and if one individual began a competitive private enterprise and appealed to his fellow-countrymen in the group in question to support him, he might be able to take the retail business of his fellow-countrymen away from the co-operative store.

Even where the population is relatively homogenous as it is in Canada, co-operation is entered into reluctantly because every effective man is presumed to be engaged in working on his own account or for the highest wages he can obtain. Thus productive co-operation of small producing societies is practically impossible. Productive co-operation by large wholesale societies is practicable, provided the management is adequately paid for and allowed to be conducted without interference. But the large wholesale society must follow, it cannot precede the formation of numerous retail distributive societies which must constitute its market. These retail societies may be formed and may succeed in homogeneous populations where the pioneer spirit is not too aggressive, but they cannot succeed where the population is diversified in race and language.

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News and Views for Investors

DOME'S PRODUCTION

Dome Mines produced $366,415 in February. This is a decline from the January total of $403,511, but is slightly higher than December, when the total reached $366,213.

JOINS WEST TREE BOARD

Stuart W. Goodwin, a member of the brokerage firm of J. G. Eastwood & Co., has been added to the board of this company which is located in the West Shining Tree district, and big development is anticipated in the spring.

DURANT IN DEMAND

In unlisted securities circles there is said to be a slight demand for Durant at 10½. This stock has been quite weak in Canada of late and for quite a time the demand was negligible. However, it is believed that the report of the Michigan Company caused a new interest.

NORTHERN CANADA POWER

There is quite an active demand for Northern Canada Power with no stock offering. The last sale recorded was at 70 which is a jump of 20 points in a couple of weeks. The Unlisted Security Corporation reports having made a sale of this issue on Feb. 24 at 50. Since then there has been little or no stock placed on the market.

CANADIAN COTTONS

Canadian Cottons are now the centre of interest because of expectation of some new developments. Earnings are said to be moving upward steadily. Another cause of interest is the belief that in July the dividend rate will be increased to ten per cent. On Wednesday's trading the stock moved up from 126¾ to 133¾, taking it in quick jumps, on the sales of 685 shares.

ASBESTOS CORPORATION

The annual report of Asbestos Corporation is always an interesting document, apart from the figures it contains because the directors use the booklet to "sell" the company and its products to the shareholders. There are full page plates of the company's properties and an exhaustive history of the asbestos industry, prepared, it is learned, by W. G. Ross, the president.

TECK-HUGHES AT PAR

The drive of Teck-Hughes to connect up the workings of the Teck-Hughes and Orr property on the 400 ft. level, has cut a new vein which did not show on surface. The vein has been opened for 20 ft. and over a width of five feet contains spectacular ore with free gold showing. For the first time in its history Teck-Hughes reached par, a sale of 1,000 shares being recorded at that price.

HOLLINGER

Quite heavy selling marked the opening of the Mining Market Wednesday following the annual meeting. This was an indication of the disappointment that the dividend was not increased. However, the favorable announcement of President Timmins that the power troubles of the company are nearing a solution, produced buyers in such a volume that the stock, after selling down to $13.50, soon recovered and sold up to $13.50. Over 6,000 shares changed hands during the day.

STEEL IMPROVES

Steel of Canada is moving up. It gained a point and a half last week. This condition is the same as in the U. S. Across the line the industry is operating at 90 per cent. and here 75 to 80 per cent. of capacity with prices strengthening. The prices of steel have advanced so rapidly that it is stated that most of the American independent companies selling in Canada have refused any more orders for the current quarter, and some will not take any for the next quarter until they see to what point prices will go.

MOORE GROUP

Price advances were scored recently by issues of the Moore Group, due to the favorable reports and predictions of better business. American Sales Book common, in heavy trading, sold up to 39 for a net gain of 2 points. It may be here noted that the par value of this stock is $20 a share, and at the current rate of distribution of 8 per cent., the stock at present levels is yielding something under 5 per cent. What is being foreshadowed by the market has not yet been disclosed. Burt common sold at 134. Pacific Burt common firmer to 100, and the preferred to 105¼, the former up 1 point and the latter up 1¼. Rogers common sold at 70, unchanged.

CONSOLIDATED SMELTERS

The advance in metal prices has awakened a new interest in Consolidated Smelters which sold up to 30⅛ or nearly two points above the 1922 high. Copper is now selling around 17 cents, lead 8.25 cents to 8.50 and zinc, 7.85 cents to 7.90. Of late the demand for these metals, especially copper, has exceeded the output of the mines. These metals form the chief products of this company, the importance of the remarkable advance in prices over the past few months can be realized. Current quotations of these three basic metals compare with the averages in 1922 as follows: Lead, 5.71c.; zinc, 6.09c., and copper, 13.56c. The 1922 prices likewise show a substantial advance over the average of the previous year as follows: Lead, 4.55c.; zinc, 5.15c., and copper, 12.55c. The annual meeting next month is expected to give consideration to the question of dividends.

MT. ROYAL DEBENTURES

The active demand for Mount Royal Hotel debentures seems based on news of the hotel's satisfactory showing for the early months of operation. The estimates on which possible profits were figured in advance appear to have been conservative. Wages, which it was estimated would cost $600,000, are running about $450,000. Other expenses are below the estimate, while revenue from store rental, concession rentals, from food, from wine, are all higher than was estimated. Rooms, too, are yielding a big revenue.

The belief is that the Mount Royal stock will be listed on the Montreal and Toronto exchanges when the debentures are converted into preferred stock in July. Talk is heard of a dividend on the common this year. It is doubtful if the directors would follow such a policy the first year of operation, but figures indicate the earnings will leave a substantial sum for the common or for reserve.

FORD AT $442

Ford of Canada shares have been selling in the U.S. at 442. No sales have been recorded in Canada this year. There are reports that the U. S. speculators are taking a flier on the prospect of some dividend action. The company has been paying at the rate of 30 per cent. per annum on $100 par value of the stock, but in previous years some fancy splits have been declared, viz.: 100 per cent. in 1910, 100 per cent. cash in 1911, 500 per cent. in stock in 1915, 110 per cent. cash and 600 per cent. in stock in 1916. In 1917 and 1918 only 5 per cent. in cash was paid, but in 1919 35 per cent. in cash was declared. In 1920 15 per cent. was paid, and 30 per cent. in 1921. While the company has been making extensions which cost a lot of money its earnings have also increased proportionally, it is claimed. Ford of Canada was 440 bid on the Toronto floor on Saturday morning, but no transactions were recorded.

TWIN CITY

There is considerable guessing going on in regard to Twin City. One group in Montreal is of the opinion that the present year should see an increase in the dividend rate to the old basis of 6%. There are those in Toronto who declare this is hardly to be expected. There has been a three point rise in the stock during the week. The earnings of the company have been showing increases in both gross and net and the industrial expansion now going on in Minneapolis and St. Paul is almost certain to improve the outlook in these respects. Opposing the talk of a dividend increase are those who declare the shares high enough for a 4 per cent. investment. It is recognized that earnings are very good if they are compared with the bad years. They ran slightly over 6 per cent. in 1922 but are expected to do better in 1923 provided the company have any luck in connection with their litigation. It is also pointed out that whereas at the end of 1922 current assets exceeded liabilities by $180,000, now liabilities exceeding current assets by over $200,000. The company must therefore replace this decrease by either a new issue of securities, which would be altogether too expensive, or by accumulating earnings. The latter course they say is the one most likely to be chosen. Whatever surplus is made in 1923 should be retained to strengthen the company's cash position.

IMPERIAL OIL

Imperial Oil has popped into the limelight for two reasons of late. One is in regard to the La Follette charge before the U. S. senate that the Standard Oil controlled the oil industry and that dollar gasoline was rapidly approaching. This, of course, has been ridiculed. In the second place the increase in Imperial Oil shipments of bulk oil from South America to Canada increased by almost 3,000,000 barrels in 1922 over 1921, the former total being 13,939,627 as compared with 11,095,768. International Petes' production in Columbia was 322,784 barrels.

ALGOMA STEEL

The announcement that the Algoma Steel employees have been granted a 15 per cent increase in wages, calls attention to the strong activity of the stock of the parent company—the Lake Superior Corporation in the Philadelphia market. It has been thought that this activity was due to a general improvement in conditions and the action of the subsidiary with their employees serves to confirm this. There is also a report about one of the American Steel Companies being eager to purchase the steel interests of the corporation and this has created quite a stir.

STEADY BUYING MARKS MARKET LIST OF WEEK

Gains Recorded Were Not Large Though Trading Heavy

MINES TO FRONT

Prediction is Made That From Now On Demand For Issues Will Be Steady

The market has been on the upturn during the past week. Trading has been steadily active and broad while the week saw the trading at Montreal reach the greatest activity of the year. Both markets have moved steadily. There have been many leaders but no outstanding one, neither have the buyers centered their interest in any one group. While trading has been fairly heavy in many issues, there have been no spectacular gains. The average has been about two points. In one or two cases it was three and in one case, Lyall Construction, there was a gain of four points on a sale of 120 shares. Detroit United made the major gain of 6⅝ points.

Losses, on the other hand, have been few and what were recorded have been for the most part fractional. Perhaps the one great loss was in Union Bank, which dropped three points to 134. Throughout the list the losses recorded would not average one point for the total issues that show a recession in price.

The gains for the week were as follows:

Week's Range

Issue	Open	Present	Sales
W. A. Rogers	77	72	422
Amer. Sales Bk ..	37	39½	315
F. N. Burt	133⅞	135	35
Asbestos Corp. ..	88½	90	446
Brazilian	50¼	52¼	15,708
Can. Car	76½	78	2,660
C. P. R.	148¼	150	289
D. U. R.	71	77⅝	9,085
Dom. Bridge	76	77¾	731
Dom. Canners	32	35	716
Lyall Const.	43	47	120
N. Breweries	52	53½	1,050
Ogilvie	313	315	43
Prov. Paper, pfd. .	95	97	58
Span. River com. .	98	99⅞	5,465
Do., pfd.	106	107¾	4,013
H. Smith, pfd. ...	105⅛	107½	169
Steel of Can.	75	76½	7,121
Twin City	63	66¼	7,621
Wabasso Cot.	75	78	205

The Traction group has been in steady demand and most of these issues show a price enhancement.

Buying in the paper group has been steady if not spectacular and the same might be said of the textile and milling group. Industrials, Oils and Utilities were fairly firm though a couple of the Industrials broke into new ground. Banks and loan companies have come in for a fairly good share of the trading but the demand for these issues is not nearly as brisk as in the first two months of the year. Seven of these issues show prices unchanged, two of them made fractional gains while five issues recorded losses of half a point and one bank three points.

The Mining market has been fairly buoyant and for the most part it will be found that the leading golds are either in their firm position or at higher levels. The silver issues have come to the fore of late and there has been considerable buying at higher prices.

The consensus of opinion is that the present market movement is one that will continue for some considerable time. Brokers point out that it is not a spectacular market but one faced with a good steady demand for stocks and with holders showing a tendency to await for better prices.

Increased Profits of Saskatchewan Mortgage

Earnings of the Saskatchewan Mortgage and Trust Corporation for 1922 amounted to $83,214 compared with $77,997 in the previous year and $80,384 in 1920. Following are comparative figures from the profit and loss statement:

	1922	1921	1920
Earnings ..	$ 83,214	$ 77,997	$ 80,384
Expenses ..	23,819	20,312	19,511
Taxes	549	1,472	4,850
Res. for tax.	5,477	5,420	5,078
	$ 29,845	$ 27,204	$ 29,439
	$ 53,369	$ 50,793	$ 50,945
Bal for. ...	6,397	10,355	7,336
	$ 59,766	$ 61,148	$ 58,281
Distribution—			
Dividends ..	$ 23,787	$ 47,226	$ 46,201
In. on stock	1,177	1,349	1,725
Written off	7,802		
Contingent.	7,500	5,000	
Balance ...	19,499	7,572	10,354
	$ 59,766	$ 61,148	$ 58,281

Mortgage Investment Provided Depreciation

Net income of the Canadian Investment Mortgage Company for 1922, after providing for expenses of management, amounted to $95,884. Following are comparative figures showing distribution:

	1922	1921	1920
Profits	$ 95,884	$ 98,518	$ 105,524
War tax ...	1,322	1,417	1,245
Income tax	2,906	8,007	8,224
	$ 4,228	$ 9,424	$ 9,469
	$ 91,656	$ 89,094	$ 96,055
Bal. forwa'd	28,336	13,764	42,084
	$ 119,992	$ 102,858	$ 138,139
Distribution—			
Dividends	$ 74,624	$ 74,521	$ 74,375
Writ. of .	26,128		
Reserve ..			50,000
Balance .	19,240	28,336	13,764
	$ 119,992	$ 102,858	$ 138,139

PLAN CREOSOTING PLANTS

British Firm May Treat Ties at Cochrane and Capreol

Cochrane may be the site selected for a creosoting plant to be installed by Calders, Limited, a British concern, for the treating of ties for the Canadian National Raliway and T. & N. O. Railway. A second plant is reported under consideration at Capreol. Calders, Limited, were interested in the Canadian project by Sir Henry Thornton. The C. P. R., through a subsidiary, maintains a tremendous creosoting plant between Sudbury and Copper Cliff.

SIMPSON CO. PROFITS HALF MILLION HIGHER

Company's Trade Showed a Material Improvement Over 1921

The Robert Simpson Company made a net profit last year of $1,236,609 as compared with $766,868 in 1921. This reflects the steady improvement in the company's trade and will, generally speaking, exceed the expectations of the shareholders. This improvement, however, was practically reflected earlier in the year when the dividend on the common stock was increased from 7½ to 10%.

Including the balance forward, there was available for distribution the sum of $3,197,713. Of this sum, $201,000 was applied on account of preferred dividends, being at the rate of 6%; $335,000 in dividends on common, equivalent to 10%, as compared with 7½% on the paid-up common shares for the previous year. A sum of $175,000 was transferred to reserve for employees' profit-sharing fund. The balance stands at $2,351,713, being an increase of $390,609.

The balance sheet shows current assets at $6,353,466 as compared with $5,909,006 for the previous year. Merchandise on hand shows relatively little change and stands at $3,724,290. Customers' accounts, after making provision for bad and doubtful debts, are carried at $915,404, as compared with $728,042. Advances to associate companies total $1,471,919.

CANADIAN KIRKLAND

It is reported that a new vein, 8 ft. wide, with high values such as are being found in the other parts of the camp, has been opened on the 100 ft. level of the Canadian Kirkland. The company is also drifting on two valuable veins on the 400 ft. level.

DIVIDEND PAYMENTS

Company	Date	Rate	Record
Page Hersey, com..	Apr. 1	½+1½	Mar.28
Do., pfd.	Apr. 1	1¾	Mar.28
C. P. R. com.	Mar.31	2½	Mar. 1
Do., pfd.	Mar.31	2	Mar. 1
Dul.-Sup., pfd	Apr. 2	1+1	Mar.15
Can. Westinghouse	Apr. 2	2	Mar.19
Ont. Loan & Deb..	Apr. 2	2½	Mar.15
Can. Gen. Elec., c..	Apr. 2	1½	Mar.15
West. Can. Flour ..	Mar.15	2	Mar. 5
Dom. Textile, com..	Apr.2	3	Mar.15
Do., pfd.	Apr.16	1¾	Mar.31
Brazilian, pfd.	Apr. 2	1½	Mar.15
Can. Permanent ...	Apr. 3	3	Mar.15
Bank of N. S.	Apr.3	4	Mar.16
Dom. Iron, pfd.	Apr. 1	1¾	Mar.15
Penn. W. & P.	Apr. 2	1¾	Mar. 2
Dominion Bk.	Apr. 3	3	Mar.20
Molsons Bk.	Apr. 3	3	Mar.15
Consumers Gas	Apr. 3	2½	Mar.15
Illinois Traction pfd.	Apr. 2	1½	Mar.15
S. Can. Pwr. pfd..	Apr.15	1½	Mar.31
Gen. Can. Loan	Apr. 2	2½	Mar.15
Sher. Williams, c..	Mar.31	1½	Mar.15
Do., pfd.	Mar.31	1¾	Mar.15
MacKay, com.	Apr. 2	1¾	Mar. 7
Do., pfd.	Apr. 2	1	Mar. 7
Dom. Glass, com ..	Apr. 2	1¾	Mar.15
Do., pfd.	Apr. 2	1¾	Mar.15
Huron & Erie	Apr. 2	1¾	Mar.15
Can. Landed	Apr. 3	2½	Mar.15
Tor. Mortgage	Apr. 1	2½	Mar.15
Wright Hargreaves	Apr. 2	2½	Mar.16
Hollinger Mines ..	Mar.26	1	Mar. 8
La Rose Mines	Mar.24	10	Mar. 8
Penmans, com	May15	2	May 5
Do., pfd.	May 1	1½	Apr.21
Twin City Ry., pfd.	Apr. 2	1½	Mar.20
Twin City, pfd.	Apr. 2	1¾	Mar.15

PROFITS OF STEEL OF CANADA HIGHER

Report for Past Year Shows Operating Return of $1,962,169

Gross profits of Steel of Canada reached $2,295,197 in 1922 as compared with $2,153,366 in 1921 and $3,924,041 in 1920. The manufacturing profit, less repair charges and income taxes was $1,962,169. Investment earnings added $333,028. After caring for the preferred dividends the earnings amounted to 3.90% on the common as compared with 3.15% in 1921.

From 1922 earnings the company placed $237,423 in reserve for sinking fund as compared with $212,803 the previous year, leaving a balance of $2,057,774, as compared with $1,940,563. The sum of $677,558 was set aside to depreciation reserve, as compared with $621,800 in 1921, leaving available for bond interest $1,380,216, as compared with $1,318,762, or about three times the requirement. Operation of the sinking fund brought bond interest requirements down to $476,619, as compared with $501,470 the previous year, leaving net earnings of $903,597, as compared with $817,292 the previous year.

Payment of dividends amounting to $454,741 on preferred left a balance of $448,856 available for the ordinary shares, as compared with a balance of $362,551 in 1921. The payment of dividends at the regular rate of 7 per cent. on the ordinary shares took $805,000, which left a deficit for the year of $356,144, as compared with $442,448 the previous year.

The full balance sheet will not be available until later, probably early in April, but it was pointed out by President Hobson that the working capital at the close of the year 1921 was $10,553,483, as against $9,907,365 for 1922, this representing a reduction of $646,117. This reduction, it is pointed out, is due to the $356,144 which was necessary to make up the dividend requirements for the year, while the balance was expended in increase of plant. It is pointed out that the company has a larger amount of securities on hand and is in a very liquid position.

LABRADOR COAST OWNERSHIP LOOMS UP BIG JUST NOW

(Continued from Page 1)

Ottawa people. They have some very enticing literature. They are not offering the leases as investments but rather are writing their advertising to appeal to the speculative mind that is affected by a glamorous appeal. "It either IS your chance to be a millionaire or it ISN'T," is about the way they put it up. The company sells leases for an initial payment of $200; and for that sum agrees to carry out the necessary assessment work and shares in any profits made by the purchaser, if any, later on.

Leases From Two Governments

The company has obtained its leases from the Newfoundland government, but to be on the safe side is applying, THE FINANCIAL POST understands, to the Quebec government for protection in case the final decision of the Privy Council should award that part of the Labrador coast to Canada. The gold mines are about thirty or forty miles north of Hamilton Bay, far removed from easy transport, though it is understood that various parties are arranging for boats to go in the spring to take in prospectors.

The more optimistic ones are talking about another Klondyke. Capt. W. H. Jeffery, E.M., states that the field is "one of the richest placer fields on the continent." But there is no rush to buy leases. Spring may quicken the activity but now it is a period of watchful waiting for the man who is at all careful with his money.

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In answering give complete particulars in first letter.

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CHARTERED TRUST AND EXECUTOR COMPANY

The earnings of the Company for the year, $50,730.85, are at the rate of 10.1% on the average paid-up capital and compare with $38,220.55 in 1921. The subscribed capital increased from $504,000.00 to $611,600.00. Branches were opened in Kitchener and Waterloo during the year and the following additions to the Board were made: J. C. Breithaupt, A. Bauer, J. Valentine, S. C. Tweed and J. A. Martin.

BALANCE SHEET
as at December 31st, 1922

ASSETS

Capital Account:—			
Real Estate		$ 307.71	
Mortgages—Principal ...	$ 209,250.18		
Interest ..	4,742.65		
		213,992.83	
Loans on Collateral Securities		43,368.22	
Bonds and Debentures		125,089.34	
Stocks		34,869.12	
Cash on Hand		1,795.79	
Cash in Chartered Banks		12,203.32	
Advances to Trusts and Estates.....		121,745.56	
Accounts Receivable and Deferred Commissions		58,162.51	
Office Furniture, Equipment and Safe Deposit Boxes		8,981.88	
Other Assets		8,481.00	
			628,997.28
Guaranteed Trust Account:			
Mortgages—Principal ..	176,042.04		
Interest ..	4,264.62	180,306.66	
Bonds and Debentures		316,608.32	
Loans on Collateral Securities....		121,486.17	
Guaranteed Mortgage Receipts of other Companies		9,220.41	
Cash on Hand & in Chartered Banks		69,386.83	
			697,008.39
Estates, Trusts and Agencies Account:			
Mortgages and Real Estate Sale Agreements		2,135,171.36	
Bonds, Debentures and Stocks		2,091,903.50	
Real Estate		1,927,073.00	
Cash on Hand & in Chartered Banks		344,839.61	
Miscellaneous Assets		275,085.25	
			6,774,072.72
			8,100,078.39

LIABILITIES

Capital Account:			
Capital Stock Subscribed.	$ 611,600.00		
Capital Stock Paid Up		$515,556.94	
Rest Account		70,000.00	
Securities Reserve		12,500.00	
Reserve for Dominion Income Tax....		2,307.93	
Accounts Payable		8,570.40	
Dividend No. 27 Payable Jan. 2, 1923		8,997.51	
Unclaimed Dividends		227.50	
Balance at credit Profit and Loss...		10,837.00	
			628,997.28
Guaranteed Trust Account:			
Trust funds for Investment		435,190.08	
Trust Deposits		261,818.81	
			697,008.39
Estates, Trusts and Agencies Account:			
Estates, Trusts and Agencies under Administration by the Company..		6,774,072.72	
			6,774,072.72
			8,100,078.39

PROFIT AND LOSS ACCOUNT
for year ended December 31st, 1922

Balance brought forward from 1921..............	$ 4,207.60
Net profit for year after deducting cost of management, directors' fees and other expenses.......	50,730.85
Premium on Capital Stock	6,037.75
	$60,976.20

Appropriated As Follows:—	
Quarterly Dividends Nos. 24 to 27 at the rate of 7 per cent. per annum..............	$35,184.06
Provision for Federal Income Tax	4,955.14
Transferred to Rest Account............	10,000.00
Balance carried forward	10,837.00
	$60,976.20

W. A. Charlton, President.

John J. Gibson, General Manager.

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which at present price returns nearly 7½ per cent.

Assets behind this stock are valued at $369 per share.

In the past three years net earnings averaged four times the Preferred dividend.

The Preferred stock shares equally with the Common up to 10 per cent.

By comparison with other stocks of equal value, this stock should be selling now on a 7 per cent. basis, which would mean a price of around 114.

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83 Notre Dame St. West
MONTREAL

The Baldwin Locomotive Works started March with unfilled orders approximating $71,000,000, and indications are that the company will book not less than $10,000,000 monthly for some time to come.

INTERFERENCE OF LEGISLATURE HAS INJURED THE WEST

Mortgage Companies' Difficulties are Pictured In Report

ARE MARKING TIME

Canadian Investment Society Directors Make Call For European Immigration

Hope that ere long some of the maladjustments following the war will be considered was expressed in the report of the directors of the Canadian Mortgage Investment Society, as presented by Joseph Henderson, the chairman. He saw in the rise of sterling a hopeful sign but points out that until the exchange situation is righted and British investment funds are available, and until agriculture is again in a state of at least moderate prosperity and building prices move down "from the dangerously high levels to which they have advanced," the most that can be done by the mortgage lender is to maintain his present position as nearly as possible and wait with patience.

In regard to the increased deposit rights, it was pointed out that following the granting of such powers by the federal government at Ottawa and the province of Ontario, several companies appear to have decided upon a line of active development as deposit-taking institutions. That, however, is a course of development this company have had no inclination to follow. "We know of no way in which deposits withdrawable on demand or on short notice can be made a source of strength to mortgage institutions. In view of what is everywhere known as the vicissitudes of Western farming, and the difficulty, if not impossibility, of realizing in years of depression upon unoccupied farm lands, it seems that the employment to any but a very limited extent of deposits for the purpose of loaning upon farm lands, or replacing other funds invested in farm lands, is a course that may easily lead to inconvenient consequences. We refer to this matter again because we are of opinion that if weaknesses develop in the mortgage company field they may be found not to be unconnected with this cause."

Moratorium Legislation

The report pays its tribute to the moratorium legislation maintained in the West, declaring that whatever losses mortgage lenders have to accept they will, in the main, have to thank this legislation. Under this, the report states, it was impossible for lenders to obtain control of its security and give effect to their contract rights. Dishonest or undeserving debtors were able to evade for years their obligations and to remain in possession of their mortgaged premises. Non-payment of taxes means nothing to them, and in a number of cases the money lender, though unable to collect interest, was called upon to advance several years of interest to prevent forfeiture of his security.

Dealing with farming conditions, the directors point out that they have in previous years referred to the fact that the condition of our essential industry, agriculture, was so unsatisfactory as to afford no basis for belief in any early return of business prosperity. Nothing has since occurred to change that opinion. Until the farming community is reasonably prosperous we cannot have the basis for a permanent revival of business. In point of volume the Western crop for 1922 has proved to be the largest on record; but, unfortunately, owing to high production costs and low prices, it has proved to be a but moderately remunerative one. It is now realized that it will take three or four such crops to give the farmers and their creditors the needed relief. We do not think that anything will be gained by minimizing the gravity of the economic problems that beset the Western provinces. It is obvious that they cannot indefinitely be evaded. The fact that the farmers' organizations are in control of every provincial government and legislature from the foothills of the Rockies to the Quebec boundary illustrates the political reality of the situation.

Linked with the position of the farmer is the financial position of the Western provinces, and the deplorable burden of municipal and other debts.

The report declares that the cure for these troubles is European immigration on a large scale and urges this and then proceeds to ask:

"But what will that avail if the immigrants do not remain? Remain they will not unless they can make themselves reasonably comfortable, and can see a way to become reasonably prosperous. Figures have been published showing that we lost all our immigration and more during the ten years from 1911 to 1921. We have reason to believe that the opinion of the most representative business men in Western Canada to-day, as well as of the leaders of the Farmers' organizations, is that artificially stimulated immigration under present conditions will not succeed; and that it is of greater and more immediate importance to the welfare of the country to solve the problem of holding the present Western population than trust too much to artificially aided immigration. Besides, it is quite certain that the number of settlers that can be properly established and absorbed into the Western communities in any single year is a limited one, and we agree with the view held by responsible business men in the West that to attempt to bring settlers into the Western country in excess of such number as can be established and assimilated from year to year would be folly, and to the settlers a wrong."

The effect of the present methods of taxation, it is declared, will be to divert capital from the channels where it would be most productive and would create employment for the greatest number. At present the incentive to enterprise and effort in business has largely ceased. The report also points to the effect of multiplied taxes upon property and upon investments based on property. In the case of urban properties municipal taxation in many places has reached a point which makes the ownership of property a burden. It also points out that the multiplication of taxes upon farm lands in the Western provinces by municipal bodies and by the provincial administrations has reached a point which deprives these lands of any certain or continuing investment value. The form of tax bill used in Saskatchewan and Alberta by rural municipalities contains nine divisions under which taxes may be levied. Of these, six are appropriated for municipal purposes and three for provincial uses. The taxes enforcable under several of these divisions, such as the taxes on unoccupied lands, school taxes, weed destruction, municipal hail insurance, seed grain or relief liens, can at the end of two or three years be made so heavy an addition to the mortgagee's claim as to affect materially the security for the loan. The report concludes with a brief review of Western legislation, pointing out that the tendency is not only to make capital but also people take flight.

MANY IMPORTANT DEVELOPMENTS IN NORTHERN MINES

Hollinger Power Troubles Over—Teck-Hughes Gets Rich Ore

Pres. Noah Timmins, of the Hollinger mine, told the shareholders' meeting that the Ontario government had promised them one of two power sites on the Abitibi River. This is in accord with the statement published in THE FINANCIAL POST weeks ago. The hitch which arose since was the claim of the Abitibi Pulp and Paper Co. as to their rights. The Hollinger will either get the Island Portage, 76 miles from the mine and capable of developing 30,000 h.p., or the Long Sault, 56 miles, capable of developing 25,000 h.p. Either will be ample to take care of the mine's needs. When handling 4,500 tons daily the mine was using 9,000 h.p. When the capacity is increased to 7,500 it will take considerably more power, but in securing either of the above-mentioned sites will have a considerable surplus. There was some disappointment that the dividend rate was not increased or a bonus paid out of the large cash surplus. The president said that this would be taken up when the power question is brought nearer a settlement. It will take between $3,000,000 and $4,000,000 of Hollinger funds to handle the power installation.

The Teck-Hughes-Orr workings have been connected up at the 400-ft. level and some rich ore was opened up where the connection was made. The February production of the mine has increased to $106,200 which allows for a profit of about $65,000. Word from the North is that every shot into the vein is producing very rich ore.

The Argonaut mine will likely have its mill finished in April. A 500-ton mill is being erected but it is proposed that at first only 200 tons of ore will be run daily. Considerable ore has been blocked out and it is understood that there is sufficient in sight to keep the mill running at 200 tons a day for two years or more.

Complete Deep Shaft

The Wright-Hargreaves has concluded the sinking of its shaft to the 1,000-ft. level and will now proceed to open up the ore deposits at the six levels opened up down to the 700-ft. level and to also open levels at 850 and 1,000 ft. This development plan will be well under way by the time the capacity of the mill is doubled to 500 tons, a task that was recently authorized.

High-grade has been encountered on group 1 of the Goldale, the work being in the east drift of the 500-ft. level. Values average $8 to $18 over nine feet.

The annual report of the La Rose shows that mine produced 434,559 ounces of silver last year, having mined 481 tons which averaged the company $565 per ton or a total net value of $272,041. The average price received was 67.36 cents per ounce. The gross value of the ore produced, including silver ore on hand at the end of the year, was $322,945, while the total cost was $278,867, leaving a profit for the year of $44,078. La Rose has now produced 26,363,564 ounces of silver with a gross value, including by-products, of $15,573,736. La Rose Mines Limited have paid $7,655,409 in dividends while La Rose Consolidated paid $5,911,639. Production for the year from the different properties was as follows: La Rose, 1,088 tons; Princess, 2,602 tons; Violet, 5,290 tons and University, 15,803 tons. The mine's surplus now stands at $405,355.

STOCK MOVEMENTS OF THE WEEK

Week Ending March 6

BANKS—	Div. Rate	Ask	Bid	High	Low	Close	Sales
Commerce	12	199	198	200	198½	198½	166
Dominion	12+1	—	204	201	201	201	25
Hamilton	12	—	166	166	165½	165½	30
Hochelaga	10	149½	149¼	150	149	150	16
Imperial	12	187	186	186½	186	186½	144
Molsons	12	—	175	176½	175½	176	24
Montreal	12	—	235	238	236	236½	154
Nationale	6	—	99½	99	98½	98½	5
Nova Scotia	16	—	265	266½	266	266½	70
Royal	12	217	216	217	216	217	90
Standard	14	—	211	212	212	212	29
Toronto	12	186	184½	185½	184	185	199
Union	10	138	135	137	134	134	108
Industrials, Utilities, Etc.							
Abitibi Pulp & Paper, com.	4	72¾	72	73	69	73	14041
Do., pref.	7	—	100	39½	36¾	39½	315
Bird & Son, pref.	7	92	91	91	90	91	15
American Salesbook, com.	8	—	39½	39½	36¾	39½	315
Do., pref.	7	91¾	91¼	91¾	91⅜	91⅜	25
Asbestos Corporation, com.	6	71	70⅞	71	70¼	70½	330
Do., pref.	7	89¾	89	90	88½	90	446
Atlantic Sugar, com.	—	25	24	25	22⅛	24½	755
Do., pref.	—	—	43	45	44	45	105
Barcelona Traction	—	19½	18½	20	19	19	791
Bell Telephone	8	121	120	123	119⅞	121	2339
Brazilian Traction, com.	4	52	51¾	52¼	48¾	52	15708
B. C. Fishing	—	20	—	20	20	20	110
British Empire Steel, com.	—	9¾	9¼	9¾	9	9½	213
Do., 1st. pref.	7	70½	69½	71	70	70	415
Do., 2nd. pref.	—	26	25½	26¼	25⅝	25¾	1467
Brompton Pulp, com.	—	42½	42¼	42½	41	42½	2980
Burt, F. N., com.	10	136	134½	135	133⅞	135	35
Do., pref.	7	133	—	133	133	133	2
Canada Bread, com.	—	—	66	66¾	66	66¾	93
Do., pref.	7	95	94½	95	95	95	131
Canada Car & Foundry, com.	—	34	33	34½	32½	33¼	500
Do., pref.	—	78	77	78½	74	78	2660
Canada Cement, com.	6	87	86	87¾	85⅝	87	1545
Do., pref.	7	—	102	103½	102	103½	332
Canada Steamships, com.	—	18¼	17½	18½	18	18½	317
Do., pref.	—	50¾	50¼	51	50	50¾	524
Canadian Converters	7	98½	98	98½	98	98¼	181
Canadian Cottons, com.	8	127	126	127	126	127	229
Can. Foundries & Forgings, com.	—	42	35	30	30	30	50
Can. General Electric, com.	6	88½	88	89	87¾	88½	303
Can. Locomotive, com.	4	—	72	72	71	72	170
Do., pref.	7	93½	92½	92½	91½	92½	117
Canadian Pacific Railway	10	150	149	150¾	148¼	149⅜	289
Canadian Salt	8	102	—	102	102	102	26
Can. Woollens, com.	—	—	—	20	20	20	25
Do., pref.	—	—	—	65	65	65	25
City Dairy, com.	10	147	145	145	145	145	335
Do., pref.	7	—	102	102	101	102	4
Consumers Gas	10	154½	154	154½	153½	154	94
Do., allotment	—	—	—	14½	13	14½	416
Detroit United Railway	6	—	76	77⅝	70	77⅝	9085
Dominion Bridge	4	78½	78	78¼	72¾	77	731
Dominion Canners, com.	—	35	33	35	32	33	716
Do., pref.	7	84	83	83	82½	82¾	195
Dominion Glass, com.	7	98½	97⅞	99½	95½	97¼	1237
Dominion Telegraph	6	—	45	45½	45	45½	149
Dominion Textile, com.	12	69	68⅞	69	67½	69	1518
Do., pref.	7	110	—	108¼	108¼	108¼	23
Dominion Iron, pref.	7	—	75	75½	75	75½	25
Dominion Steel Corp., pref.	6	—	81¼	81	80½	81	110
Duluth Superior	—	31	30¾	30⅞	30	30¾	455
Davies, Wm. (A)	—	35	34	34⅞	34⅞	34⅞	10
Goodyear Tire, pref.	7	94	93	94¼	93	93	140
Howard Smith Paper, com.	6	80	79⅞	81	80	80¾	389
Do., pref.	8	105½	105	107½	104	105¾	169
Illinois Traction, com.	—	45	—	44	43½	44	180
Do., pref.	6	85	84	85	83	84	101
Kaministiquia Power	8	118	115	115	115	115	164
Lake of Woods Milling, com.	12	181	180	182	182	182	20
Laurentide Paper	6	95	94½	96	94	95¾	2334
Lyall Construction	—	48	45	47	43	47	120
Macdonald, A., com.	—	10	—	10	10	10	60
Mackay, com.	7	118½	117	118¾	117	118	479
Do., pref.	4	72	70	71	69½	70½	92
Maple Leaf Milling, com.	8	125	120	124	124	124	5
Do., pref.	7	—	99	100¼	99⅞	100¼	105
Monarch Knitting, com.	—	—	30	30	30	30	1
Do., pref.	7	80	77	76½	76½	76½	140
Montreal Cotton, com.	6	110	108	108	108	108	25
Do., pref.	7	111	109	107½	107½	107½	25
Montreal Light, Heat, Cons.	6	114¾	114½	118¾	114	114½	6349
Montreal Telegraph	8	52	—	52	52	52	17
Montreal Trams	10	150	—	150	150	150	64
National Breweries, com.	4	52	51¼	53½	51½	52¾	1050
Do., pref.	7	95	90	90	90	90	20
Ogilvie Flour, com.	12	315	—	315	312¼	315	43
Ottawa L. H. & Power	6	91¾	91½	92	91½	91½	166
Do., pref.	7	116	115	115	114½	114½	50
Pacific Burt, com.	6	—	100	100⅛	99	100	140
Do., pref.	7	—	105	105¼	104	105¼	46
Penmans, com.	8	149	146	147	146	146½	335
Price Brothers	2	45½	45	46½	45	46¼	2005
Provincial Paper, com.	6+1	—	90	91	90	91	40
Do., pref.	7	—	96	97	95	97	58
Quebec Railway	—	—	23	24	22½	23	1262
Riordon Pulp, com.	—	6½	6	6¼	6	6¼	655
Do., pref.	—	12	—	12	10	12	37
Rogers, William, com.	—	—	72¼	72	68	72	422
Do., pref.	7	96	—	96	93½	96	40
Russell Motor, pref.	7	70	67	67	67	67	5
Shawinigan	7	117½	117⅜	118¼	117½	118	984
Sherwin Williams, pref.	7	102	100	100½	100½	100½	7
Shredded Wheat, com.	8+1	150	148	150	150	150	5
Spanish River Pulp, com.	7	99½	97½	99⅞	96	99¾	5465
Do., pref.	7	107	105	107¾	104¼	107¾	4013
Steel of Canada, com.	7	75¾	75½	76⅝	74	76½	7121
Do., pref.	7	—	100	100½	100	100½	171
St. Lawerence Flour, com.	6	78	77¼	77½	77½	77½	35
Do., pref.	7	95	92	95	95	95	62
St. Maurice Paper	5	95	—	97¼	96	96	343
Toronto Railway	—	83½	82½	83¼	81½	83	198
Tuckett Tobacco, com.	4	56	—	55	55	55	150
Do., pref.	7	96	95	96	94⅝	95	230
Twin City, com.	4	64¾	64½	66¼	61¾	64¾	7621
Do., pref.	7	—	105	105	100	105	85
Wayagamack Pulp	—	60	—	60	59	60	200
Western Canada Flour	8	—	108	110	110	110	10
Wabasso	4	79	—	79½	73	78	205
Winnipeg Electric, com.	—	37	36¾	37½	36¾	37	279
Do., pref.	7	86¾	86	86¾	85¼	86½	185
Woods Mfg., com.	8	79⅛	79	79	79	79	30
Do., pref.	7	81	80	81	81	81	100
Cuban Can. Sugar, com.	—	10¾	—	11	9½	9¾	631
Do., pref.	—	42¼	42	42	41½	41½	675
Can. Landed	10+1	—	81	83	83	83	30
Can. Permanent	12	194	193	193	193	193	14
Real Estate Loan	7	95	90	91	91	91	3

DULUTH-SUPERIOR

Passenger earnings of the Duluth-Superior Traction Company for the month of February totalled $147,255 compared with $126,239 for the corresponding period in 1922, an increase of $21,016. For the two months of the year the earnings amounted to $310,676, an increase of $36,890 or 13.5 per cent.

GRAND TRUNK

Traffic receipts of the Grand Trunk Railway System for the last seven days of February amounted to $2,263,803, compared with $1,760,913 for the corresponding period in 1922, an increase of $502,890 or 28.56 per cent.

CANADIAN NATIONAL

Gross earnings of the Canadian National Railways for the week ending February 28, amounting to $2,094,130 showed a decrease of $181,217 compared with the corresponding period in 1922. For the first two months of the year the earnings totalled $17,210,840, an increase of $1,177,081 over last year.

The January statement shows gross amounting to $9,652,599, an increase over January last year of $1,352,501. Working expenses at $10,808,306 were higher by $276,194, while net earnings amounting to $1,155,706 compared with $2,232,013, a decrease of $1,076,306.

LAND PROFITS LOWER

Cancellations of Northern Prairie Lands Exceeded the Year's Sales

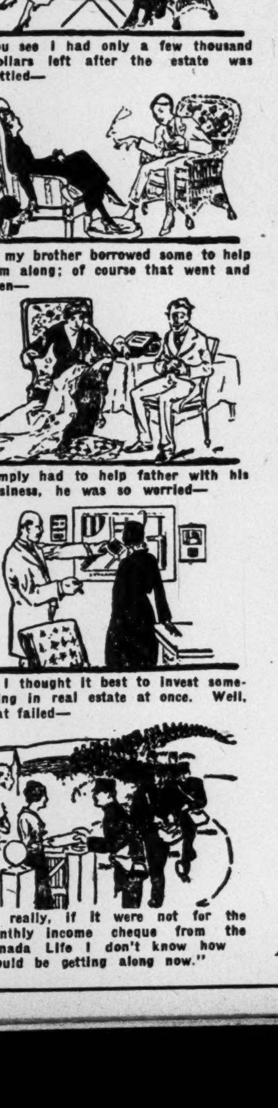
Land sales totalling 3,252 acres were put through by the Canadian Northern Prairie Lands Co. in 1922 at an average price of $16.80 per acre. The area unsold at the end of the year was increased, however, owing to cancellations totalling 8,112 acres, which exceeded the sales by 4,860 acres. The net profit for the year amounted to $181,400 as compared with $207,100. Dividends of 10 per cent. were paid and after this was deducted and $25,000 added to the reserve, there remained a balance of $6,400 to carry forward.

UNLISTED SECURITIES

	Bid	Asked
Alta. Pac. Grain 7% pfd.	89	93
Do., com.	104½	112
Belding Paul pfd.	85	87
Canada Mortgage	66	..
Can. Westinghouse, com.	126	..
Continental Life	211	..
Can. Machinery, pfd.	35	40
Can. Marconi Wireless	2.25	2.75
Cockshutt Plow, 7% pfd	42	45
Can. Oil Companies, pfd.	96	..
Do., com	51	55
Dom. Power & Trans. pfd.	90	..
Do., com.	40	..
Dunlop Tire, 7% pfd.	82	..
Dom. Linens, pfd.	73	76
Eastern Theatres 7%, pfd.	68	..
Do., com.	6¾	7½
Eng. Elect., pfd. 40% com.	73	76
Excelsior Life	31½	..
Farmers Dairy	49	..
Fam. Play. 7% p. 50% com.	79	..
Gunns Ltd., 6% pfd.	34	38
Great West Life	214	..
Inter. Milling Co., pfd	91	..
King Ed. Con., pfd. 30% c.	93	96
K. & S. Tire 7% pfd. 25% c.	35	37
La Paz Oil	..	50
Loew's Toronto, pfd.	61	65
Do. com.	39	43
Loew's London, pfd	5¼	6¼
Do., com.	1¾	2½
Loew's Buffalo, pfd.	43	46
Do., com.	1.25	1.75
Massey-Harris Co.	48	52
Murray Kay Co., pfd.	..	42
Manufacturers' Life 20%	48	..
Mount Royal Hotel, com.	38	42
Milton Pressed Brick, com.	36	..
National Brick, pfd.	46	50
Do., com.	8½	9½
National Life $25 paid	50¼	....
Pantages Hamilton 7% pfd.	..	65
Do., com.	..	4
Robertson P. L. Co.	25	35
Rolph Clark Stone, com.	15	..
Simpson, Robt. 6%, pfd.	88¼	89¼
Sterling Coal, com.	22	..
Sovereign Life	18	..
Sun Life Assurance	140	..
Toronto Brick Co., pfd.	73	..
Trusts & Guarantee	75	80
Tiger Tire Units (1 pfd. 2 com)	26	..
Western Grocers 7%, pfd.	57	60
Whalen P. & P. Co. pfd.	..	21
Do., com.	..	5½
Western Assurance	7.00	
Western Assurance	6.75	..
Northern Can. Power	40	50
London Loan	46	51
L. R. Steel Units	20	25
Abbey Salts	26	..
Brit. Amer. Assur.	6	7
Lambton Golf Club	425	475
Mercantile Trust	98	..
National Steel Cor.	16½	..
North Star Oil com	1¾	2½
Do., pfd.	3.50	..
Do., pfd.	89	..
Page Hersey Tubes c.	90	88
Pressed Metals	41	43
Commercial Finance, pfd.	75	78
Cosgraves Breweries	....	6
Durant Motors	10¼	11½
English Elec., com	16	..
Imperial Oil	118	122
Mortge. Discount Units	..	11
Manitoba Power, com.	..	28½
Frontenac Breweries	..	50
Industrial Alcohol	11⅞	12
Montreal C. & D. Bank	171	..
Provincial Bank	120	120½
Saguenay Pulp, pref.	2	2½
Do., com.	1⅛	1½
West Quebec Power, pfd.	87	90

The Monthly Cheque
That Never Fails

How the Money was Lost



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A weekly or monthly income is the natural thing for most people.

A woman can keep a family together on even a small income, provided it is regular.

Financial problems should not be thrust upon a woman who it not used to business deals.

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Canada Life Assurance Company
Dear Sirs—Without obligation on my part, you may send me particulars of your Monthly Income Plan.
Name ....
Address ....
Born .... day of .... 1......
Beneficiary ....
Born .... day of .... 1......

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CO-OPERATION FAILS ALSO IN DAIRY BUSINESS

Extent of Deficit Not Stated At the Annual Meeting

HAD BIG TURNOVER

Explanation of Directors is That Unstable Markets Were Responsible

From Our Own Correspondent.

REGINA.—Though the Saskatchewan Co-operative Creameries had the largest annual turnover in 1922 since the inception of this gigantic co-operative farmers' organization, a deficit on the year's operations was disclosed to delegates at the annual general meeting. The extent of this deficit was not made public though copies of the financial statement were issued for "private consumption" by officials of the company to authorized delegates and directors. In the directors' report, the following reference is made to the loss sustained:

"The ardent hope that 1922 would result in good progress toward a return to normal conditions the world over, has not been realized. A certain degree of returning stability has been noticeable on this continent but not sufficient as to avoid loss to trade and commerce.

"Our business, like most others, had its share of difficulties to contend with and your directors regret to report that your company must be numbered among the great majority to draw upon reserve funds to cover a deficit as shown by the financial statement in your possession."

Passing further along, and after the fact has been stressed that the total of business transacted in 1922 amounted to about four millions of dollars, the directors explain how the deficit on operation occurs. There were two reasons primarily responsible:

1. Unstable markets, the result of world-wide conditions.
2. Overhead charges on cold storage plants.

In regard to the first, it is pointed out that the condtions which face those in the selling business at the present time are unable to make plans or estimates upon past experience or precedent.

In regard to the cold storage expense, the directors make the following statement:

"Another aspect of the difficulties of our situation is this: That under heavy pressure from the public for additional cold storage space during and following the world war, our capital investments for cold storage buildings and plants expanded to somewhat beyond actual requirements as gauged by present depressed industrial and trade conditions. Some of these new plants—two of which were only completed and made ready for operation during the year—are not yet on a paying basis and may not be for two or three years. In the meantime, the overhead charges on these few plants must be absorbed and carried out of earnings elsewhere."

Reference is made to the heavy expense necessitated in payment to the government each year, on capital account, representing loans on unpaid portions of shares of capital stock subscribed by shareholders of the company. To avoid this, the directors might have made call upon shareholders to meet payments falling due upon the unpaid portions of their shares. The reason given for not taking this step is given as follows:

"The directors did not consider it advisable to make call upon shareholders for additional payment upon the unpaid portion of their shares owing to existing financial conditions."

Good Work in England

During the year, W. A. Wilson, general manager of the company, was in England, and while there arranged for extensive shipments of butter. Over sixty carloads were shipped, sold at a profit and gave general satisfaction as demonstrated by testimonial letters from the purchasers.

It was pointed out that the sale not only relieved some congestion of butter in the home market, but it had a good influence in correcting the bad impression of western butter, held in some parts of Great Britain as a result of inferior shipments made some years ago.

Dubuc Resignation Step in Consolidation

From Our Own Correspondent.

MONTREAL.—Following up the recent informal announcements, definite statement was made by Mr. A. M. Irvine, chairman of the executive committee of the Bay Sulphite Co., that J. E. A. Dubuc had resigned from the committee of management of the company. Mr. Dubuc has been actively associated with the Chicoutimi Pulp Co. for twenty-two years and was the founder of that organization. His interest in the Saguenay group of pulp and paper companies has extended further and he was for some time considered as the active executive head of these companies.

Mr. Dubuc's resignation may be regarded as another step towards the more effective consolidation of this group of companies and the completion of financing now contemplated. It has for some time been understood that there would be eventually changes of some importance in the management of this group of companies and the present announcement was not unexpected.

BELGO PAPER

The fifth paper machine of the Belgo Paper Company at Shawinigan Falls is in operation, turning out newsprint. The machine which was built in England, turns out a trimmed sheet 216 inches wide at the rate of 750 feet per minute at normal speed.

Asbestos Corporation Plans Larger Mill

From Our Own Correspondent.

MONTREAL.—Asbestos Corporation plans to enlarge its operations. The president, W. G. Ross, states that plans have been studied with a view to the erection of an additional mill of 1,200 tons' capacity per shift, which, when completed, will nearly double that of the present mill.

Renewed building and commercial activities in the United States have improved the market for asbestos and the demand for the products of the company has been greater than for the last two years. Shipments from the property are larger but prices have declined considerably.

The figures from the annual statement were analyzed in last week's issue.

OTTAWA POWER CO. EARNS OVER 9 P.C. ON CAPITAL STOCK

Slight Increase In Net Operating Revenue Over 1921 Figures

From Our Own Correspondent.

MONTREAL.—That the problems of the public utility companies are not entirely solved is indicated by the report of Ottawa Light, Heat and Power Company for 1922 which has been presented to the shareholders. True conditions are much better than two years ago, but the competition from publicly owned enterprises that pay no taxes is still a factor to contend with. The Ottawa Light Heat and Power report indicates a favorable increase in gross earnings but there is a slight increase in the operating expense ratio and this tended to keep the full effect of the increased earnings from being shown.

Gross earnings were $1,685,381 as compared with $1,652,051 in 1921. Operating expense ratio amounted to 67.6 per cent. as against 67.2 per cent in 1921. The 1920 figure was however 73.2 per cent. The net result of the 1922 operations was that 9.27 per cent. was earned upon the capital stock against 9 per cent. in 1921 and 6.5 per cent. in 1920.

The year's results compared with two previous years were as follows:

	1922	1921	1920
Gross Rev.	$1,685,381	$1,652,051	$1,459,308
Oper. Exp.	1,140,846	1,108,673	1,068,888
Gross Earn.	$ 544,534	$ 543,377	$ 390,419
Interest	220,106	223,115	161,719
Net Earn.	$ 324,427	$ 320,261	$ 228,699
Com. Div.	210,000	210,000	210,000
Surplus	$ 114,427	$ 110,261	$ 18,699

Why Expenses Were Greater

In accounting for the increased expenses the report states:

"The Ottawa Electric Company incurred additional power rentals caused by the very low water in the early part of the winter, and necessary repairs to one of the turbo-steam generators, and to some water wheels. The cost of material, improvements and alterations to our main office were written off during the year. The Ottawa Gas Company incurred additional expense due to the necessity of operating the oil gas plant to permit replacement of some of the gas retorts. This company also bore its share with the Ottawa Electric Company of the cost of office changes and equipment."

The balance sheet shows property valuations of $8,627,248, an increase of about $188,000. Other assets and liabilities show but minor changes.

F. N. BURT SURPLUS OVER ONE MILLION

Profits for 1922 Increased by $46,872 to $721,627 by Report

Profits of the F. N. Burt Co. in 1922 advanced $46,872 over 1921 to a total of $721,627. There was a balance forward from 1921 of $842,682 and the profits added to this and 1921 taxes deducted left a total of $1,486,819 available for distribution.

Additions to realty and plant reserve for the year were $194,377 as compared with $216,585 in 1921. Patents were written down by an almost identical sum as in the year previous, $23,910. Dividend requirements, 7% on the preferred and 10% on the common, called for the distribution of $256,881. The balance carried forward is over one million dollars.

The profit and loss account follows:

	1922	1921
Profits for year ..	$ 721,627	$ 674,754
Bal. forward	842,683	984,857
Less Fed. taxes ..	77,490	112,235
	$1,486,819	$1,547,376
Realty & plat. res.	$ 194,377	$ 216,585
Written off patents	23,910	23,552
Pref. dividends ...	36,491	54,306
Common dividends	220,390	194,940
Bonus of 10%		215,310
Bal. forward	$1,011,650	$ 842,682

The strength of the company's position is shown by the balance sheet, and as Pres. S. J. Moore says, has ample working capital to handle the splendid business that is being secured. Current assets total $1,557,300, as compared with $1,389,723 for the previous year. Merchandise is slightly lower at $801,345, as against $845,754. Accounts and bills receivable are carried at $403,633, as against $276,174, and cash on hand at $271,977, compares with $216,861. Investments in other companies have been increased from $78,633 to $147,257. Patents and good will have been reduced from $817,091 to $799,545. Accounts payable at $171,602, compare with $94,700. Realty and plant reserve now stands at $1,105,799, and profit and loss account, the latter subject to federal taxes on 1922 earnings, at $1,011,650, bringing total reserves to $2,117,450.

NEW STOCK ISSUE OF ST. LAWRENCE PAPER APPROVED

Mill Will Reach 150 Tons a Day by End of Month

From Our Own Correspondent.

MONTREAL. — Shareholders of the St. Lawrence Paper Mills at a special meeting this week approved the plans of the directorate to increase the amount of the preferred stock capitalization of the company from $1,000,000 to $2,500,000. This means that the bond issue of $3,000,000 which was originally planned, will be made for a somewhat smaller sum, probably $2,000,000, while the additional $1,500,000 will be raised by the sale of further preferred stock.

The company, one of the newest entrants into the pulp and paper field in Canada, has one machine in operation at its Three Rivers plant, turning out newsprint at the rate of 75 tons a day, and expects before the end of March to have the second machine in operation. This will give the mill an annual capacity of between 45,000 and 50,000 tons.

Originally the company was organized by Noah H. Timmins, president of the Hollinger Mine, and his associates, under the name of the Three Rivers Pulp and Paper Company. Offering was made in October, 1920, of 8% preferred stock. The slump in the groundwood market postponed the plans and later the St. Lawrence company was formed with a newsprint mill added to the former scheme for a pulpwood plant only. Under the new arrangement the capitalization will be $2,500,000 of preferred stock; and 40,000 shares of common stock of no par value.

It is stated that contracts have been entered into by the company for the marketing of the products of the mill. This will be handled through the St. Maurice Paper Company, and American newspapers will take the entire 1923 production. The plant at Three Rivers has a frontage of 1,500 feet on the river with 35 feet of water at the dock. Power is obtained from the Shawinigan Power Company.

W. R. ROGERS REPORTS BUSINESS ON MEND

Final Quarter of 1922 Saw Material Increase in Company's Profits

Profits of the W. A. Rogers Co. in 1922 totalled $116,092 as compared with $83,314 in 1921. This favorable showing was due to the material improvement in the company's business in the last quarter of the year. For the most part of the year the depression, rampant in 1921, continued to retard progress. The balance from 1921 was $218,470, which made the total available for dividends and other purposes $334,268. Deducting these charges left $107,367 as the balance forward.

The profit and loss account follows:

	1922	1921
Profits	$ 116,092	$ 83.314
Balance forward	218,470	453,916
Less Fed. taxes	294	70,183
	$ 334,268	$ 467,048
Plant reserve	113,305	150,332
Pref. dividends	78,596	78,596
Pref. arrears		19,649
To Canadian Rogers.	35,000	
Bal. forward	$107,367	$ 218,470

Assets totalled $4,782,698, or better than a $50,000 improvement over 1921. Of these assets, the liquid total is $2,229,049, as against $2,143,818 in 1921. The merchandise totals $1,399,756 as against $1,358,538. Outstanding accounts receivable are up to $645,242 as against $518,421, while the cash on hand dropped to $184,050 from $266,858.

Current liabilities reached $688,426 as against $563,760. Realty and plant reserve account $350,000, profit and loss $107,367, a total of $1,046,472 as compared with $1,147,123.

President S. J. Moore points to the fact that the arrears on the preference are still 7 per cent.

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NAVY CUT
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"Finest Workmanship"

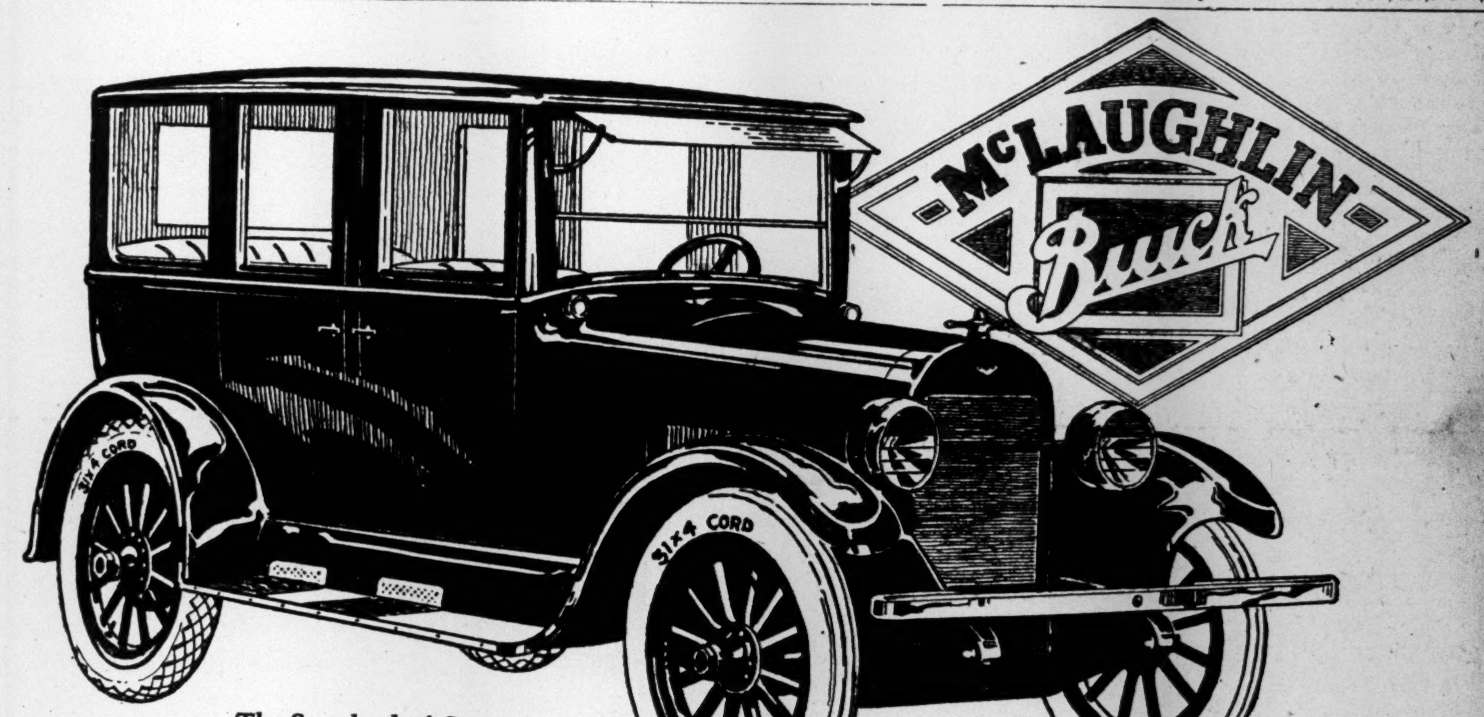
Package of 10 - 20¢
" " 20 - 35¢
Enamel Tin " 50 - 90¢
" " " 100 - $1.75

Higher Profits for Hillcrest Collieries

From Our Own Correspondent.

MONTREAL. — Much improved conditions are indicated by the annual report of Hillcrest Collieries for 1922. Profits totalled $268,092, as compared with $100,192. Comparative figures of profit and loss account for the year are:

	1922	1921
Profits	$268,092	$100,192
Misc. rev.	34,770	33,473
Total income..	$302,862	$133,665
Bond interest	16,250	16,250
Pref. divs.	49,399	49,399
Com. divs.	60,000	60,000
Surplus	$130,973	$ 8,026



The Standard of Comparison

Year 'Round Comfort for Five Persons

The "Master Four' Sedan 23-37 $1950

The McLaughlin-Buick "Master Four" five-passenger sedan has every convenience, comfort and refinement of the finest closed car.

The Fisher-built body is trimmed and upholstered in fine plush with hardware of a handsome pattern. Wide doors with large plate glass windows adjustable to any position, giving easy access to the roomy compartments. Silk shades, a soft dome light and fine carpeting are all of a quality found only in high priced closed cars.

Comfort for year 'round driving is assured by a heater for winter and controlled ventilation for summer by means of the cowl ventilator and adjustable windows and the windshield.

Marked refinements in the chassis and in the famous valve-in-head engine increase the riding comfort and add materially to the inherent McLaughlin-Buick qualities of dependability and performance—qualities that have made McLaughlin-Buick "Canada's Standard Car".

McLaughlin-Buick cars carry Class A insurance rating.

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In all McLaughlin-Buick models the gear shift lever has been lengthened, bringing it up to the level where the driver's hand will rest naturally when released from the steering wheel. Changing gears can be done quickly without bending forward or groping for the lever.

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Master Fours		Master Sixes	
23-35 Regular Touring....	$1235	23-41 Touring Sedan.....	$2725
23-34 Special Roadster ...	1275	23-44 Special Roadster....	1695
23-35 Special Touring....	1295	23-45 Special Touring	1725
23-36 Coupe	1645	23-47 Sedan 5 Passenger...	2795
23-37 Sedan 5 Passenger..	1950	23-48 Coupe 4 Passenger .	2675
23-38 Touring Sedan.....	1855	23-49 Special 7 Pass. Tour.	2095
		23-50 Sedan 7 Passenger ..	3095
		23-54 Special Sport Roadster	2295
		23-55 Special Sport Touring	2375

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McLAUGHLIN-BUICK

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TO KEEP LA ROSE AT WORK POLICY OF MANAGEMENT

Buy New Properties for Development Rather Than Wind Up Affairs

BATTLE ON AGAIN

"Shareholders Committee" of Last Year Again After Control of Company—Directors Fighting Efforts

What is beginning to be regarded as the annual battle for proxies to control La Rose Mine is now on. This company has a treasury of $409,062. Control of this, rather than of the mining operations, is alleged by the directors to be the cause of the strife. As a result some rather strong statements and allegations are being made from both sides. The annual meeting will be held on the 16th of April. H. H. Sutherland and W. S. Andrews, Toronto, Jos. E. Graveller, Hull, Que. and J. B. Spurr, Aurora, compose the "shareholders' committee." Their circular says they are owners of more than 275,000 shares. The shareholders list shows less than 36,000. Their attack on the present control is launched by a series of questions, designed to show shortcomings on the part of the present directorate. To press home some of the points, questions are repeated. The main points of criticism are: Monthly reports are not sent to shareholders; no explanation of how officials lost milling contract has been given. There has been no report on litigation with O'Brien and Mining Corp.; that Violet shaft, lost in action with O'Brien, cost $50,000, and that $300,000 damages may be assessed against the company; that directors lent treasury funds to relatives and lost sums of it; that the general manager's salary was increased; that a wildcat claim in undeveloped area of Porcupine was being negotiated for, and at a large sum; that the market price of the stock fell from "$8.00 to 17c last year," when the committee got busy and put the stock up to 66c and also that the committee put it up again this year, and it is remarked that it would not be surprising if the shares were to sell much higher, if the committee got support. There is criticism of the paying of dividends before the annual meeting. It was done last year and ten per cent. has been declared this year.

Directors' Stand

The statement of the directors plainly states that the motion of the committee is "to get control of a reputable company and its treasury as a cloak for other operations." They charge that the committee has indulged in innuendoes and disregard of the truth and declare that such tactics are not only a menace to La Rose but to the whole mining industry. "Ulterior motives," they say, inspire the committee, adding, "the control of the treasury should not be in the hands of men whose business is the promotion and sale of shares in mining prospects, and who, although connected with a number of flotations, have not so far as we know, succeeded in promoting a mining company that has ever paid expenses, much less a dividend."

The directors then deal with the main accusations, defending their policy of issuing annual reports on the ground that once a month would be too costly. They declare that the mill treating their ore was sold and the contract automatically concluded. The litigation is not concluded as yet, so that it would be hard to show what the damages, if any, will be.

It is contended that if the committee believe what they say about this, they would not want control of the company. The directors, officers, or their friends, deny that they borrowed from the treasury, but call loans were made to Stock Exchange firms only, and good profits resulted. The company has an option on a promising Porcupine property for the price of $100,000. The company has 6 months for examination before it is obliged to make a payment. The annual report shows a net profit of $44,078.

La Rose Mine is managed by G. C. Bateman, who is looked upon as one of the high calibre mine managers of the north. The old La Rose property is practically done, but the company owns the University, Violet and others, all promising properties or producers. There are some inferences left in the committee's attack, which would seem hurtful to mining, inasmuch as they give the impression that shareholders have no chance of a square deal from the companies.

Few Do It

In regard the criticism of the directors, that they have not issued a report on progress since the last one, THE FINANCIAL POST has frequently criticized companies on just this ground. Shareholders have the same right as directors to information of new finds, etc., or where there is progress being made that may influence the market. But, unfortunately, few companies do this. All cannot afford to do it. Only one Cobalt Co., the Nipissing, ever issued monthly reports, and until recently only two gold companies have, Lake Shore and Hollinger. The rest, La Rose, Coniagas, McKinley, Darrah, McIntyre, Dome, Porcupine, Crown, and others, including Sutherland's old company, Davidson Consolidated, issued only annual reports. The Nipissing report is given to the press and not sent to the shareholders. La Rose management has always been liberal in giving data to the press on development work.

The cause of La Rose losing its contract with the Bailey mill, where its ore was treated, seems also presented in a wrong light. The O'Brien's mill burned and the O'Brien bought the Bailey mill. The La Rose contract was cancelled by the deal inasmuch as the sale was put through on the bondholders' authority for default of bond interest. The La Rose-O'Brien litigation was started by the O'Brien. That concern contended that the La Rose had sunk the shaft over their line. O'Brien won and La Rose appealed. The price quoted by the committee as the cost of sinking the lost shaft, $50,000, is declared by mining engineers consulted, to be a gross exaggeration. There has been some criticism of the directors of the La Rose in prolonging the litigation with the O'Brien, but many leading mining men declare in favor of the present directorate. It is interesting to note that while the committee attacks the management this year as it did last, it nevertheless included General Manager Bateman on its directorate slate last year. This would seem to at least vindicate his management and the general mining policy. Brokers deny that the committee was able to manipulate the stock and put it up as inferred by the committee. They say the price rise was due to the usual speculation in the shares because of an anticipated dividend declaration.

A significant statemet made in the reply of the La Rose management to the "shareholders committee's" allegation casts some light upon the policy of the corporation. Referring to the option upon a promising property in Northern Ontario, it is stated that "the policy of the company has always been not only to thoroughly explore and develop its existing claims but also to acquire other promising properties if developments warrant it." This indicates the policy that will be continued; to get hold of promising properties and when they can be proven to operate them in such a way as to keep La Rose company going.

Last year the "shareholders committee" was able to muster up about one-third of the proxies. It is not thought that even as strong a showing as that will be made this year. It is felt that, despite any criticism that might be made of the present control, the directorate has shown its ability to make the La Rose a profitable proposition for the shareholders.

CITY DAIRY PROFITS MATERIALLY HIGHER

Company in 1922 Handled Greatest Volume in Its History

The City Dairy in 1922 handled the greatest volume of produce in its history, with the result that the net trading profit reached a total of $200,746, as compared with $163,778 in 1921. Added to this profit was the investment income, $24,691, and surplus from 1921, $301,648, which made the amount available for distribution $527,086. The usual dividends were paid, $105,000 and $421,586 added to surplus.

The financial position of the company has been maintained well during the year. The total assets are given as $2,127,139 with liabilities placed at $392,553. This sum included the January dividends on the preferred and common stocks.

Cash on hand has been reduced from $42,387 to $28,362. Accounts receivable at $83,144, compare with $182,623. Inventory was slightly lower at $59,476. Government bonds held are valued at $203,875 and shares of subsidiary companies and other securities at $223,510, compared with $260,225. Real estate equipment and goodwill are carried at $1,527,777, against $1,488,596. Accounts payable have been reduced from $371,573 to $330,007. Reserve is unchanged at $48,000.

HIGHER RATE FOR SHAREHOLDERS OF ILLINOIS TRACTION

New Preferred Stock Will Pay Seven Instead of Six

From Our Own Correspondent.

MONTREAL. — Canadian interest in the sweeping changes being effected in the capitalization and scope of Illinois Traction Co. centers around the large holdings of the Sun Life Assurance Co. and rather important holdings by individual investors who have traded in the shares on the Montreal Stock Exchange.

Under the plan of the organization that will come up before the special general meeting on Monday, March 12th, the present preferred and common stockholders are to benefit by the exchange of their stock for shares that seem to be somewhat more attractive.

A new company called the Illinois Power and Light Co. is being formed. The consolidation will include all the operating properties of the Illinois Traction Co. together with the Southern Illinois Light and Power Co. now operated by Clement Studebaker and associates. The change of the corporate capitalization will make possible the financing of developments that have been held up for some time.

What Shareholders Get

It is proposed that each of the preferred shareholders in Illinois Traction are to receive one share of 7 per cent. cumulative preferred for each share of the present 6 per cent preferred they hold. The common shareholders of the Illinois Traction Co. will be offered, for each share of $100 par value of common held now, one share of 6 per cent. cumulative participating second preferred stock to the par value of $50. Thus the preferred shareholders get one per cent. per annum more, and the common shareholders, though they receive only $50 par value share for each $100 par value share they now hold, are given a somewhat better stock. Second preference shareholders will participate in the profits of the new company whenever the dividend on the new common exceeds $3 per share. For example, if the dividend of $4 is declared on the common, the second preferred shareholders would automatically receive $4 per share or 8 per cent on their stock.

In effecting the consolidation, holdings of bonds to a par value of $22,000,000 will be acquired; bonds to the value of $9,000,000 will be retired; guaranteed preferred stocks of the company and its subsidiaries amounting to $10,941,000 will be acquired. Provision will also be made for the retirement of $5,649,000 Illinois Traction preferred, $2,169,000 Western Railways and Light preferred, $1,665,000 Southern Illinois Light and Power preferred and $631,000 of Bloomington and Normal Railway preferred. All of this stock will be exchanged for a like amount of 7 per cent. stock of the new company.

The new company will have a capitalization of $17,678,500 of 7 per cent. preferred; $1,865,500 of participating 6 per cent. cumulative preferred and 400,000 shares of common stock of no par value. Provision will also be made for $30,000,000 of first mortgage 6 per cent. bonds and $10,000,000 of 7 per cent. thirty year sinking fund debentures. All of the common stock of the new company will be owned by the Illinois Traction Co., the common stock of which will not be disturbed. In the circular describing the issue it is stated that the dividends on the stock that is being given for the outstanding common stock of the Illinois Traction will begin to pay dividends immediately.

The arrangement probably means that the final control of the group will rest in the hands of those of the common stockholders of Illinois Traction. These will be the Studebaker interests together with the parties associated with Senator William D. McKinley, who controls the Illinois Traction system. The prospects for the new consolidation are excellent. Earnings of the Illinois Traction system are at present ahead of previous earnings by a good margin. The linking together of two powerful groups of traction operators is another favorable feature of the amalgamation.

The Paper Companies Started Upwards During Year 1922

From Our Own Correspondent.

MONTREAL. — Four "paper" reports recently issued—three of them within the past two weeks—indicate that 1922 was the turning point in the fortunes of the pulp and paper companies after the difficulties of the previous two years. The companies are now operating with reduced inventories and enlarged working capital; they have written down their raw materials to rock bottom in most cases and have begun to build up substantial reserves in other ways. Prices are showing a tendency upwards where any movement is noticeable.

Of the four reports most recently issued, Provincial Paper, Wayagamack, Brompton and Howard Smith, that of Provincial Paper is the only one that does not show a really substantial improvement in earnings. But this company is one that is so solidly constructed it did not show any serious impairment of position during the slump in the industry. Moreover, its newest development at the head of the lakes was not in operation during the year although the capital cost showed itself to some extent in interest charges.

Wayagamack showed an operating profit instead of an operating deficit as in the previous year, but the net profits were, however, not sufficient to meet depreciation and interest and other charges. The company has, however, substantial reserves and a large profit and loss account and these will hardly need to be drawn on in 1923.

Howard Smith benefited from greatly increased sales and is developing a fine export business. The year's profits were somewhat increased and as the cutting down of the common dividend reserved the liquid resources, the surplus for the year was increased.

Brompton, even allowing for the enlarged operations covered by this year's balance sheet and the fact that it was for a fourteen-months' period, showed improvement—enough to indicate that the corner had been definitely turned.

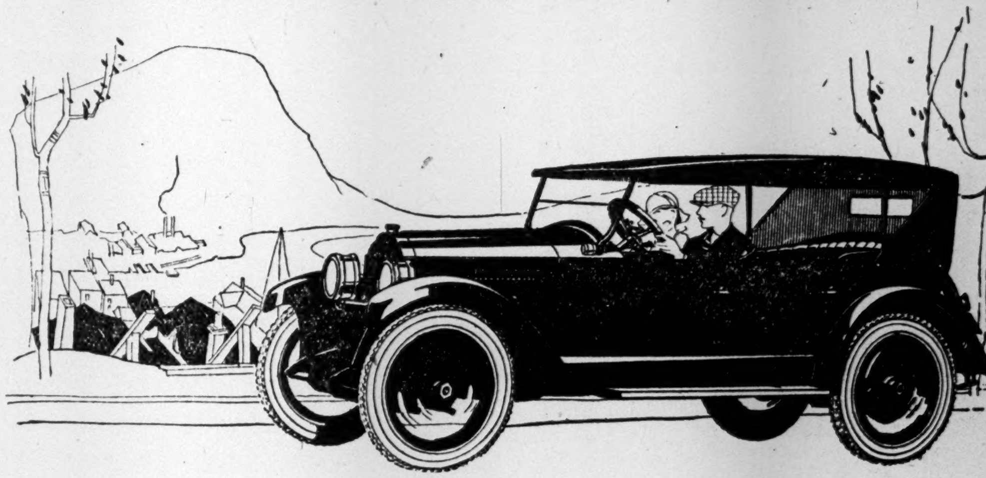
Comparative figures for four years past of the four companies mentioned are given here:

	Net Profits	Interest	Other Denentures	Preferred Div.	Common Div.	Surplus for Yr.
Provincial Paper—						
1919	$ 423,569	$ 6,160	$75,000	$119,000	$90,000	$133,409
1920	1,248,140	28,237	210,000	119,000	257,500	633,403
1921	761,394	33,500	210,000	119,000	245,000	153,845
1922	763,961	55,787	220,000	119,000	245,000	124,173
Howard Smith—						
1919						
1920	$1.089,899	*$169,018	$213,148	$120,000	$220,800	$366,933
1921	613,313	141,681		120,000	279,932	71,699
1922	693,540	197,941		120,000	220,720	226,577
* Includes Taxes.						
WAYAGAMACK—						
1919	$1,103,687	$210,000	†$842,100			$51,587
1920	2,152,707	210,000	†833,000		250,000	858,807
1921	*156,712	210,000	290,928		150,000	*807,640
1922	372,030	260,854	210,068			*1[illegible],392
* Deficit. † Including reserves.						
Brompton—						
1919	$1,048,338	$82,455	$188,500	$140,000	$350,000	$337,383
1920	1,853,589	137,580	235,123	140,000	665,000	675,886
1921	1,097,784	200,774	244,000	155,000	385,000	113,010
[illegible]	1,607,213	362,783	366,589	17,500		860,340

P. Lyall & Sons Construction Company, Limited

Toronto - Montreal - Ottawa

WILLYS-KNIGHT



Newer—Finer—A Car of Tremendous Mileage

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5-Passenger Chassis

Touring	$1750
Roadster	1750
Coupe	2450
Coupe-Sedan	2350
Sedan	2600

7-Passenger

Touring	$2050
Sedan	2950

F.O.B. Toronto *Taxes Extra*

WONDERFUL mileage—the experience of thousands of Willys-Knight owners everywhere—results from a motor that improves with use; that at ten thousand miles shows actually more horsepower than at five hundred.

And here—in the new, finer and smarter Willys-Knight—is greater assurance of superlative motoring than ever.

Rugged, adjustable front axle is equipped with eight Timken bearings. Simple, safe steering; easy brake and clutch; power for any emergency; ample room for five people.

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73d Annual Statement OF THE Ætna Life Insurance Company

HARTFORD, CONNECTICUT

MORGAN B. BRAINARD, *President*

Life, Group; Accident & Health, Group; Liability and Workmen's Compensation Insurance

CAPITAL STOCK, $5,000,000

JANUARY 1, 1923

ASSETS		LIABILITIES	
Home Office Buildings	$ 1,820,000.00	Reserve on Life, Endowment and Term Policies	$142,476,088.00
Real Estate acquired by Foreclosure	39,359.45	Reserves not included above	5,118,722.23
Cash on Hand and in Bakns	7,577,383.63	Premiums paid in advance, and other Liabilities	2,361,021.43
Stocks and Bonds	78,131,350.43	Unearned Interest on Policy Loans	506,867.96
Mortgages secured by Real Estate	84,110,389.58	Taxes falling due in 1923	1,654,515.31
Loans on Collateral	711,239.00	Reserve for Special Class of Policies, and Dividends to Policyholders payable in 1923	3,962,085.76
Loans secured by Policies of this Company	19,519,533.64	Losses and Claims awaiting proof and not yet due	1,989,603.34
Interest due and accrued December 31, 1922	4,172,403.37	Unearned Premiums on Accident, Health and Liability Insurance	8,022,108.38
Due from Re-Insurance Companies and others	26,785.04	Reserve for Liability Claims	12,225,543.75
Premiums in Course of Collection and Deferred Premiums	7,993,060.99	Special Voluntary Reserves	3,500,000.00
Amortized Value of Bonds and Market Value of Stocks over Book Value, less Assets not admitted	2,940,274.32	Capital $ 5,000,000.00; Surplus 20,225,223.29	
		Surplus to Policyholders (including Capital)	25,225,223.29
Total Assets	$207,041,779.45	**Total Liabilities**	$207,041,779.45

T. H. CHRISTMAS & SONS, Managers, Guardian Bldg., St. James St., Montreal.
JOHNSON & ORR, Managers, 905-6-7-8-9 C.P.R. Building, Toronto.
G. EDWARD BINGHAM, Manager, 305 Dominion Savings Bank Bldg., London.
DOUGLAS J. JOHNSTON, Manager, 605 Union Trust Bldg., Winnipeg.
J. F. BRANDT, Manager, Rogers Bldg., Vancouver.

MONEY, BANKING AND EXCHANGE

WEIRD FINANCING CAUSED COLLAPSE WINNIPEG BANKS

New Legislation Proposed To Safeguard Public Interest

From Our Own Correspondent.

WINNIPEG.—The two Winnipeg "bank" crashes, the suspension of the Dominion Ticket and Financial Corporation, Limited, and of Max Hoffman & Company, are more far reaching than earlier anticipated. The official returns of the trustees show total liabilities of $875,611 for the Dominion Ticket and Financial Corporation, Limited, and of $100,365 for Max Hoffman & Company. Hundreds of depositors, largely of foreign extraction, are chiefly affected in the downfall of these two financial concerns. Depositors had at stake $790,558 in the former concern and $57,752 in the latter.

Hon. R. W. Craig, attorney general, denies all responsibility of the provincial government in these two failures. The Minister takes the ground that laws can be framed but the government is powerless to prevent the people from breaking the laws, and he points out that when they do so they must face the consequences. The government did not have any supervision powers over the books of the defunct concerns. Amendments to existing legislation are being instituted, he says, with a view to bringing down amendments for better control of such agencies. If recurrence of such disasters as the failure of the Dominion Ticket and Financial Corporation is to be prevented the provincial government should cease to grant charters permitting the taking of deposits by private institutions, according to several bankers of Winnipeg, who voice their sentiments to The Winnipeg Tribune.

When the Dominion Ticket and Financial Corporation, Limited, assigned on February 6, some 2,000 depositors had on deposit $790,558 of which $693,839 represented savings deposits and the balance $96,719 current account deposits. Total liabilities of the bankrupt "banks" include all deposits amounting to $875,611. Against these liabilities, assets, with a book valuation of $924,250 are shown. The trustees are careful to note, however, "the statement of assets is not to be considered as the trustees' estimate of the realizable value but the figures (with minor exceptions) are as they appear on the books of the company as on date of assignment."

The balance sheet of the defunct "banking" firm of Max Hoffman & Company shows assets of $90,222 and liabilities of $100,365. Here again the trustees decline to take any responsibility for the valuation of the assets set forth. The principal liability is that of the depositors' savings accounts aggregating $57,752. The largest asset is the land and building occupied by the company and valued on the firm's books at $62,984, with office furniture at $8,079.

Bizarre Financing

The statements of both concerns reveal interlocking "banking" arrangements. The Dominion Ticket statement shows among its assets a call loan held by Hoffman Company for $7,000. The Hoffman statement shows among its assets a bank balance held with the Dominion Ticket & Financial Corporation (secured by $7,000 bonds R. C. Parish of St. Joseph) for $4,859. The Dominion Ticket statement given to the creditors' meeting during the past week is an illuminating document of the bizarre financing of President Schiminowski, who, charged with theft, is presently at liberty on $35,000 bail. The statement reveals speculations in foreign currencies, the exchange value of which has depreciated in some instances beyond the vanishing point; financing of the attempted flotation of the Great West Bank; financing of such publications as the First Baseman, one of those guessing competition publications which had a meteoric career in Manitoba some few months ago; and the financing of "The United Shippers Limited," a liquor concern with headquarters at Rainy River and a storage warehouse at Dryden, Ont., near the boundary of Manitoba.

The Dominion Ticket and Financial Corporation in the heyday of its speculative career financed to the amount of $94,217 the promotion of the Great West Banking enterprise with headquarters at Regina, which, though its charter was once renewed, failed finally to get under way. President Schiminowski told the creditors that there was no money actually on deposit at Regina to offset the amount loaned for the flotation of the Great West Bank but stated that there were certain refunds due for travelling expenses, etc., which should amount to more than $10,000. The matter, he stated, was being investigated by a firm of solicitors in Regina. The Dominion Ticket and Financial Corporation also financed such publications as the First Baseman which assigned in Winnipeg last October and is now said to be operating in Montreal.

Alcohol an Asset

Overdrafts of $169,471 shown in the company's statement include advances to the Canadian Sports Review, Montreal, $12,945; the First Baseman subscription account, $25,227; First Baseman, Montreal Trust Account, $29,352. Schiminowski has expressed his belief that this overdraft will be paid within the next three months. The item of $45,000, a discount in connection with a firm called United Shippers Limited, is obviously a delicate matter since the United Shippers Limited has been

(Continued on Page 15)

THE EXCHANGE MARKETS

Little Change in Quotations During the Week

There has been a slightly rising tendency in the discount rate on the Canadian dollar in New York during the week, but the spread has been narrow, between 1½ and 2 per cent.

The pound and francs have shaded off slightly and lira have been marked down several points:

NEW YORK FUNDS

Mar. 1—Funds opened at 1 9-16, touched a low of 1½ and sold at the close at 1¾ per cent premium.

Mar. 2—Opening at 1 11-16 funds touched a high of 1 13-16, and closed at 1 23-32.

Mar. 3—Funds were steady at 1⅝ premium.

Mar. 5—Funds opened unchanged at 1⅝ premium and closed at 1 9-16.

Mar. 6—Opening at 1 11-16, funds touched a high of 1¾, and closed at 1 23-32.

Mar. 7—Funds opened at 1¾, rose to 1⅞, and sold at 1 27-32 at the close.

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
Mar. 1	4.79⅜	6.07¼	4.80½
Mar. 2	4.70⅜	6.07	4.80½
Mar. 3	4.70⅜	6.11	4.80½
Mar. 5	4.69⅞	6.10	4.80
Mar. 6	4.69⅝	6.08½	4.77½
Mar. 7	4.69½	6.05	4.74

THE PROGRESSIVES AND THE BANK ACT

Want Easier Farm Credit But Do Not Seem to Know How to Get It

From Our Own Correspondent.

OTTAWA.—After so much has been said about the Progressives being opposed to delay in the amending of the Bank Act, it was not expected that a Progressive would move that this matter be delayed for another year. Yet this actually happened during the debate on the motion for a special committee to enquire into credit, when Spencer, of Battle Creek, Alta., moved the following amendment:

"That the resolution be amended by adding the following words: And that the Bank charters be extended for twelve months subject to such amendments to the Bank Act as may be passed this session, but that the final revision of the Bank Act be reserved until after the report of any committee that may be appointed under this resolution."

The motion got no further, for it was declared out of order by the Speaker. The Progressives have been following very closely the action of Congress on the agricultural credit question, and the passage of recent legislation in the United States has stimulated the demand that federal action be taken over here. There seems to be no agreement, however, as to what should be done, there being a great dearth of good banking opinion in parliament.

Molsons

J. R. Wainwright, manager of the London branch of the Molsons Bank, has been transferred to the branch at Hamilton.

Provincial

Ralph Sharp has been appointed to take charge of the Sackville branch of the Provincial Bank, to succeed W. L. Gray, who has been transferred to St. John to take charge of a new branch.

Hamilton

R. W. Graham of the New Hamburg branch of the Bank of Hamilton, has resigned as teller and will be succeeded by A. J. Weinert of the Princeton branch.

Commerce

S. H. Logan, who for the past five years has been Supervisor of the Foreign Department of the Canadian Bank of Commerce at the head office, has been appointed the bank's senior representative in New York. Mr. Logan has travelled extensively abroad in connection with the development of foreign trade for Canada and in the bank's interest, having visited Australia, New Zealand, the Philippines, China, Japan, Continental Europe and South America.

Sterling

The Sterling Bank announces the following staff changes: D. N. Lindsay, accountant at Barrie, transferred to Alton as acting manager; D. B. Campbell of Orangeville, transferred to Barrie; J. H. B. Drake, teller at Uxbridge, transferred to Kinmount; E. G. Lee of Kinmount, transferred to Uxbridge; C. V. Pettiplace of the head office, transferred to St. Catharines as accountant; C. F. Perkins, acting manager at Lansing, transferred to Port Dalhousie.

Monthly Bank Clearings

(In comparison with same month last year)

EASTERN CITIES

	February, 1923	Change	%
Montreal	$354,131,065—	$17,402,741	4.7
Toronto	342,105,177—	13,765,079	3.1
Hamilton	19,156,066+	132,501	.7
Quebec	18,546,711—	1,105,337	5.6
St. John	10,655,890+	738,671	7.4
London	10,170,069—	420,653	3.9
Halifax	9,789,354—	2,030,983	17.1
Windsor	9,702,840—	1,975,700	16.9
Moncton	3,985,560+	409,254	11.4
Kitchener	3,322,183—	336,077	9.2
Brantford	3,322,180—	423,535	11 3
Sherbrooke	2,796,095—	503,345	15.2
Peterboro'	2,434,555—	86,264	3.4
Kingston	2,140,140—	329,435	13.3
Total East	$792,257,885—	$38,379,149	4.6

WESTERN CITIES

	February, 1923	Change	%
Winnipeg	$132,594,508—	$41,701,582	23.9
Vancouver	51,118,883+	1,397,790	2.8
Calgary	16,043,243—	2,627,392	14.1
Edmonton	14,857,989—	1,057,563	6.6
Regina	10,355,096—	86,458	.8
Victoria	6,713,434—	1,074,955	13.8
Saskatoon.. . ..	5,479,325—	206,889	3.6
Moose Jaw	3,549,748—	537,897	13.1
Ft. William ...	2,720,533—	99,812	3.5
Lethbridge	2,136,203+	194,287	10.0
Brandon	1,727,460—	258,095	13.0
N. Westminster .	1,908,126—	4,440	.02
Prince Albert...	1,236,896+	36,296	3.0
Medicine Hat...	1,123,323—	119,350	9.6
Total West	$251,564,771—	$46,146,110	15.5
Grand Total	$1,043,822,656—	$84,146,110	15.5

RECENT RISE IN STERLING IS OF GOOD AUGURY

Novel Method Suggested For Stabilizing Pound And Dollar

The cause of the recent rise in the value of the pound sterling in face of the critical situation in Europe has been to many somewhat of a mystery. England is now within sight of a free gold market and the linking of the paper pound with the gold dollar.

An editorial writer in "The New Statesman" attributes this rise to depreciation in the value of the dollar rather than to appreciation of the pound. He anticipates that the movement may go further on account of America's uncertain and possibly unwise currency policy, and therefore advocates dissociating the pound from its close connection with the dollar by a general international agreement. Otherwise England is in danger of being swept along with the new tide of inflation that is beginning to manifest itself in the United States, only to be plunged two or three years from now into another more acute period of depression and unemployment.

One way to avoid this, continues the writer, would be to retain an inconvertible paper currency in Great Britain and to stabilize the purchasing power of the pound without reference to the disconcerting fluctuations of the dollar. But there is another method of tackling the problem which would be immensely superior, if only it could be successfully applied. That is the method of international co-operation. An attempt might be made to stabilize, not merely the pound, but the pound and the dollar together. Such a proposal may appear at first sight more difficult and ambitious than the former. But in practice it may prove the simpler of the two. The method suggested is that unanimously recommended by the Finance Commission of the Genoa Conference. Its novelty lies not so much in suggestions made for stabilizing depreciated European currencies as in those proposed for regulating the purchasing power of gold itself.

Since the war, prices of commodities have displayed the wildest fluctuations, not only in European countries with paper currencies, but also in the United States with its gold currency. These wild fluctuations are not uncontrollable. The general level of prices, which means the purchasing power of gold, can be regulated by a carefully planned policy on the part of the Bank of England and The Federal Reserve Board of the United States. The conference recommended the Bank of England to call a meeting of the central banks, including The Federal Reserve Board, with this end in view.

Stripped of its technicalities, the plan amounts to this: Every currency unit, as before the war, will be convertible on demand in a few gold centres like London and New York into a fixed amount of gold bullion. But since the value of gold will no longer depend upon supply and demand, but will be regulated by a "ring" of central banks, the standard of value will be the general level of prices which the central banks decide to take as their standard. The world will still go on extracting and refining gold, but having obtained it the central banks will put it away and forget all about it. It will make no difference to the level of prices whether the gold mines dry up, or whether the output is trebled; whether the gold rests in the vaults of the central banks or is used to pave the streets of London—the world's monetary system would not be affected.

While, therefore, the Genoa Conference ostensibly advocated the restoration of the gold standard it, in fact, endorsed the plan to abolish it—but with this important proviso: the central banks are to go on buying gold at a fixed price, not in order to use it, but to satisfy the conservative instincts of business men, and, incidentally, to save the gold producers from ruin.

Ten months have now elapsed since the Bank of England was invited to summon this conference "as soon as possible." The directors of the bank would probably say that they are anxious to take this step as soon as the pound has reached its pre-war parity with the dollar. If that is so, the rapid rise in sterling is of hopeful augury.

Weekly Bank Clearings

(In comparison with same week last year)

(EASTERN CITIES

	Mar. 1, 1923	Change	%
Montreal . . .	$ 97,610,625—	$16,793,015	14.6
Toronto	93,185,811—	8,713,801	8.5
Ottawa	5,246,953—	223,792	4.1
Quebec	4,775,725+	257,633	5.7
Hamilton . . .	4,690,478—	96,034	2.0
Windsor	2,967,290+	463,955	18.5
St. John	2,627,284+	74,234	2.9
London	2,528,754—	285,950	10.1
Halifax	2,350,783—	493,278	17.3
Moncton	923,947+	22,168	2.4
Kitchener . . .	910,975—	52,256	5.4
Brantford . . .	785,209—	98,209	11.1
Peterboro' . . .	657,167+	61,545	10.3
Sherbrooke . . .	650,751—	130,957	16.7
Kingston . . .	482,275—	166,143	25.6
Total East . . .	$220,392,028—	$26,173,905	10.6

WESTERN CITIES

	Mar. 1, 1923	Change	%
Winnipeg . . .	$ 34,570,953—	$ 5,952,057	14.6
Vancouver . . .	13,039,369+	1,026,941	8 5
Calgary	4,271,358—	818,727	16.1
Edmonton . . .	3,552,680—	449,938	11.2
Regina	2,635,949—	189,399	6.7
Victoria	1,684,710—	242,994	12.6
Saskatoon . . .	1,189,299—	224,753	15.9
Moose Jaw . . .	901,882—	118,350	11.6
Lethbridge . .	719,770+	148,113	25.9
N. Westminster .	467,532+	12,686	2.7
Brandon	435,819—	67,010	18.8
Prince Albert . .	330,085+	10,438	3.2
Medicine Hat .	285,715—	55,234	15.6
Total West . . .	$ 64,085,129—	$ 6,920,334	9.7
Grand Total . .	$284,477,157—	$33,094,239	10 4
Ft. William . .	638,463		
Year to date .	$2,558,566,582—	$125,437,705	4.6

MANITOBA WILL AMEND THE RURAL CREDITS LEGISLATION

(Continued from Page 1)

rowers and in most cases will avert a loss, while the banks, perhaps of necessity, act in a far more arbitrary manner.

"The report says: 'Societies are created primarily to lend money with no particular incentive to have it repaid.' This is absolutely incorrect as the Rural Credits borrowers have a strong personal feeling for the standing of their own societies. 25 per cent. of the shareholders are non-borrowers and over 60 per cent. of the directors are non-borrowers.

"There is an ugly suggestion with respect in the amount of the directors' borrowings. The determining factor in the amount of credit rendered to borrowers is not the fact that they are directors or not, but it is the amount of assets they possess and the character they bear, and the suggestion that the directors get larger loans than other borrowers because they are directors is grossly misleading and is an undeserved libel on the directors. Had the commission looked into the facts or stated the facts, they would have stated the directors had larger loans than others because they were largest farmers in the districts; required larger advances; had better security, and possessed the confidence of their fellow directors.

"In referring briefly to what in the report was termed constructive recommendations the societies wish to say that this is no time to consider any radical change in the method of procedure. With respect to increased supervision, the directors not only have no objection to it, but desire it.

"It must be remembered, however, that agriculture generally, is in such a state that every move regarding it should only be made after the most careful consideration, and the societies feel that with the experience they have gained in the past and the opportunities they have in the future for closer co-operation and fuller exchange of ideas through the federations and their executive council, along with the sympathetic co-operation of a Farmer's government pledged to support Rural Credits, the continuation of the present system with as little change as possible consistent with the ever growing betterment of conditions and management and general reduction of credits to suit these conditions, is the only feasible plan.

CANADA SALT PROFITS

Company's Business Showed Improvement During 1922

Canada Salt's gross profits for 1922 were $284,915 as compared with $228,040 for the preceding year. Appropriations were as follows: Interest on mortgage bonds, $55,928; expenses, $533; income tax for 1921, $13,634 and for sinking fund, $10,000. In addition, $40,406 was reserved for depreciation, $18,500 for 1922 income tax, $2,000 for bad debts, $2,570 written off patent rights, and $3,700 off discount on general mortgage bonds sold. From the balance of $137,640 dividends at the rate of 8 per cent., amounting to $96,000, were paid, leaving $41,640 to be added to surplus, and bringing that account up to $249,823. Additions and improvements to buildings, plant, etc., were made during the year at a cost of $129,785.

BANK STATEMENT FOR MONTH OF JANUARY

Immediately Available Liquid Resources

ASSETS

	Jan. 1923	Dec. 1922	Change	Jan. 1922	Change
Specie . .	$ 81,142,503	$ 93,789,305—	$ 12,646,802	$ 77,650,371+	$ 3,492,132
Dom. notes . .	182,552,279	182,686,820—	134,541	192,587,600—	10,035,321
Gold reserve .	42,802,533	61,202,533—	18,400,000	47,652,533—	4,850,000
U. K. Banks . .	7,310,292	9,824,836—	2,514,544	7,889,806—	579,514
For. Banks . .	52,275,629	61,578,126—	9,302,497	53,396,683—	1,121,054
Gov. secs.	211,616,422	201,836,520+	9,779,902	210,358,659+	1,257,763
Call loans abroad .	191,381,847	185,653,891+	5,727,956	157,913,228+	33,468,619
	$ 769,081,505	$ 796,572,031—	$ 27,490,526	$ 747,448,880+	$ 21,632,625
Loans and Securities Other Than Those of Canadian Government					
Pub. sec.	$ 101,774,886	$ 96,432,184+	$ 5,342,702	$ 105,349,897—	$ 3,575,011
Rly. sec. .	42,915,380	42,320,294+	595,086	45,155,996—	2,240,616
Can. call loans . .	90,025,233	98,383,580—	8,358,347	102,630,461—	12,605,228
Current . .	1,038,396,145	1,065,226,894—	26,830,749	1,138,151,455—	99,755,310
Loans abroad .	158,444,940	157,657,083+	787,857	148,733,747+	9,711,193
Provincial loans . .	14,282,344	19,371,287—	5,088,943	7,407,430+	6,874,914
Municipal .	60,988,386	57,014,733+	3,973,653	68,048,223—	7,059,837
	$1,506,827,314	$1,536,406,055—	$ 29,578,741	$1,615,477,209—	$ 108,649,895
Other Assets					
Overdue debts . .	$ 7,056,980	$ 7,068,816—	$ 11,836	$ 8,980,763—	$ 1,923,783
Real estate . .	5,916,143	5,614,726+	301,417	4,651,731+	1,264,412
Mortgages	4,616,261	4,572,507+	43,754	3,307,613+	1,308,648
Premises .	71,792,861	71,826,756—	33,895	70,439,578+	1,353,283
Letters of credit . .	18,961,227	20,267,255—	1,306,028	19,889,981—	928,754
Other assets . .	4,134,337	4,158,069—	23,732	3,667,894+	466,443
	$ 112,477,809	$ 113,508,129—	$ 1,030,320	$ 110,937,560+	$ 1,540,249
Total . .	$2,388,386,628	$2,446,486,215—	$ 58,099,587	$2,473,863,649—	$ 85,477,021
Note cir. dep. .	6,448,249	6,450,026—	1,777	6,527,858—	79,609
Int. bank balance .	133,000,104	165,701,863—	32,701,759	145,718,622—	12,718,518
Gross . .	$2,527,834,981	$2,618,638,104—	$ 90,803,123	$2,626,110,129—	$ 98,275,148
LIABILITIES TO THE PUBLIC					
Liability to Government and Circulation					
Circulation	$ 152,632,947	$ 176,201,351—	$ 23,568,404	$ 162,645,115—	$ 10,012,168
Dom. Govt.	26,412,631	48,022,846—	21,610,215	97,114,278—	70,701,647
Prov. Govt.	33,113,958	30,560,457+	2,553,501	33,502,883—	388,925
Deposits by Public					
Dom. dep. .	501,147,121	537,613,056—	36,465,935	487,153,169+	13,993,952
Savings . .	1,195,351,710	1,184,703,596+	10,648,114	1,233,205,401—	37,856,691
Total . . .	$1,696,498,831	$1,722,316,652—	$ 25,817,821	$1,720,361,570—	$ 23,862,739
Foreign dep. . .	266,555,375	288,350,768—	21,795,393	254,777,696+	11,777,679
Due to Banks Abroad, etc.					
U. King. .	$ 7,128,309	$ 8,482,349—	$ 1,354,040	$ 8,284,004—	$ 1,155,695
Foreign . .	30,119,480	30,163,550—	44,070	29,987,373+	132,108
Bills pay. .	9,144,479	8,506,825+	637,654	11,550,634—	2,406,155
Acceptances	18,961,227	20,267,255—	1,306,028	19,889,981—	928,754
Other liab.	2,197,374	2,835,782—	638,408	2,118,241+	79,113
Public liab. . .	$2,242,764,611	$2,335,707,835—	$ 92,943,224	$2,340,231,774—	$ 97,467,163
Due bet. bks. . . .	11,881,506	11,757,121+	124,385	11,362,901+	518,605
Gross . .	$2,254,646,117	$2,347,464,956—	$ 92,818,839	$2,351,594,675—	$ 96,948,558

Frank Stockdale's Wide Experience Added to Druggists' Weekly's Service

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IN THE March 14 issue of Druggists' Weekly we will offer the first of a series of "MINUTE MESSAGES" by Frank Stockdale, nationally known authority on retail store problems.

A great many of the readers of Druggists' Weekly are acquainted with Mr. Stockdale and his work and will welcome the announcement that we have secured his service in furnishing a series of inspiring and instructive articles for **exclusive** publication in Druggists' Weekly. The series will be continued throughout the year.

Mr. Stockdale's "MINUTE MESSAGES" will be presented in a most graphic way by use of cartoons. Each cartoon, made by one of America's greatest cartoonists, will be accompanied by a brief "snappy" right-to-the-point article by Mr. Stockdale, emphasizing and supplementing the message portrayed by the picture itself. Pictures are Universal Language—everybody reads and enjoys them.

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Pictures save time—the busy man demands them, all others like them.

You busy retailers will revel in the simplicity and force of the "MINUTE MESSAGES" as they will embody worth-while, business-building ideas — delivered with a clean, constructive, lasting punch — ideas which will be of great value in solving your everyday business problems.

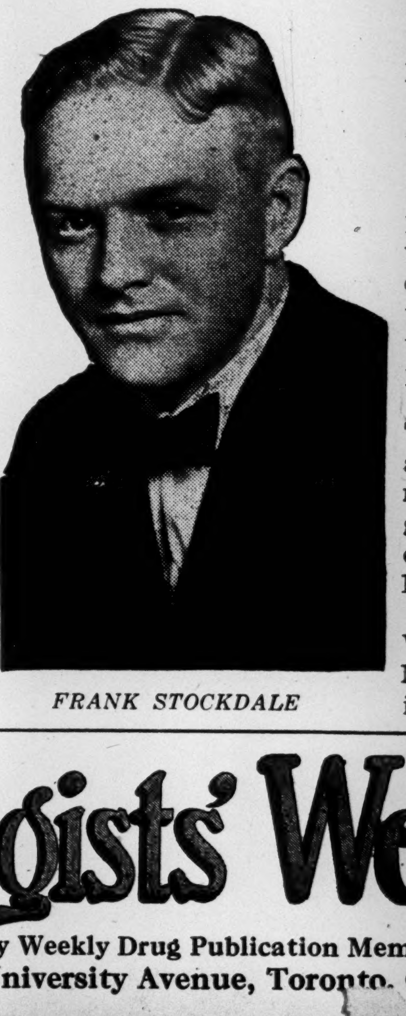
Mr. Stockdale's work during the past twenty years in organizing Merchants' Institutes, at Retail Conventions and in rendering actual personal service to Merchants in their stores has been a great value to the retailer in lifting him out of the drudgery of old time methods of doing business and adding to his power to do more for himself and his customers.

Mr. Stockdale's "MINUTE MESSAGES" will tell you at a glance the big, vital, profitable things you ought to know. "THEY HIT THE NAIL ON THE HEAD," "THEY DRIVE THE POINT HOME" and "THEY MAKE IT STICK."

Every day new problems arise as result of some development in merchandising, and as competition of other trades, and very keen competition among druggists themselves increases, the need for such terse and timely messages is very apparent.

These "MINUTE MESSAGES" are written for **you**, the busy merchant. You will profit greatly by following them closely in each issue of DRUGGISTS' WEEKLY.

Watch for the first "MINUTE MESSAGES" in our March 14 issue.



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KITCHENER CLEARING HOUSE

At the annual meeting of the Kitchener Clearing House Association the following officers were elected: President, R. D. Boughner; vice-president, W. H. Collins; secretary, F. H. Boehmer.

Interesting facts regarding business progress and conditions in Kitchener and Waterloo County were discussed following the annual dinner. Satisfaction was expressed at the stability of local enterprise and an optimistic feeling prevailed regarding the present year's business prospects.

NEWS AND VIEWS FOR MANAGERS

BANKS NOW FIND THEMSELVES IN RETAIL BUSINESS

Some Experiences in the Maritimes Have a Moral

The story is told of a western farmer who after being pressed for some time by the bank to pay up his loans walked in on the manager one morning and asked: "What do you know about farming anyway?" The banker answered that he knew little or nothing about it. "You are in a bad way then," replied the farmer, "because from now on you are in the farming business—I am through."

A number of bank managers in New Brunswick have passed through a similar experience recently. They made loans to retailers, evidently knowing little about the retail business, and now the banks have the stores on their hands. It is said, however, that in this case some of the managers will not be asked to learn anything about the retail business but may in fact have to find some other vocation than banking altogether.

In the city of St. John, for instance, one bank has had to take over a men's wear store in the heart of the city, which started only in the spring with much fireworks. The store is said to have received heavy loans and it is doubtful if they can be realized on. This is only one of a number of cases. In two banks at least head office investigators are making a thorough survey of the situation. The stores which have been taken over by the banks are not making money. They are projects with declining patronage and heavy overhead expenses.

Loaning to Retailers

It is a pretty good rule for the branch manager to follow to at once ask himself what is the matter with a retailer's credit with the wholesaler and the manufacturer if he needs a loan from the bank. As a usual thing the retailer can obtain all necessary accommodation through the trade, the bank in turn financing the jobber and manufacturer. Of course there are special circumstances when a line of credit to a retailer may be considered, but in these the manager should use careful judgment.

The basis of a retailer's line of credit should be the value of his stock less other liabilities, either inside or outside of the trade. Then the manager should consider the chances for business success. He should be convinced that the record of the borrower as a business man should reasonably guarantee fair profit and that personal integrity, habits, etc., will not impair the moral security.

Average Stocks too Large

From the business standpoint turnover figures should be carefully judged as indicating trade activity and continued profitable operation. Then, turnover should be judged in relation to the total stock. In a great many cases it will be found that the average stock is too large in relation to turnover—that there are many dead lines on the shelves which are poor security for a loan, particularly if they have not been paid for. Proper insurance on the stock as protection in the event of fire is another point for the manager to consider.

Altogether a bank loan to a retailer on security of his business assets should be regarded by the banker as an exceptional one and both care and judgment should be exercised.

Deceiving the Bank Examiner

In 1914 a resident of the State of Washington, Allen by name, gave the Northern Bank & Trust Company, a Washington institution, a promissory note for $10,521. Allen received no consideration. The note which was given so that it might be entered upon the bank books, increased the bank assets by that amount, and deceived the bank examiner of the State of Washington, and at the same time the bank gave Allen a written acknowledgement that he was to be under no obligation as far as the note was concerned.

A few years later the bank became insolvent, the Bank Commissioner of the State of Washington took charge, proceeded to liquidate affairs of the bank, found Allen's note among the assets, followed Allen to British Columbia where he had gone, and sued him on the note in the British Columbia courts.

Allen set up the defence that there had been no consideration whatever for the note, the case went on appeal to the Supreme Court of Canada, and the decision has just been recorded in the official report of the court.

The Supreme Court decided, first of all, that the case would have to be decided by the laws of Washington, where the note was made and where Allen's liability—if any—was incurred.

The court also decided that under the law in force in the State of Washington, as proved by expert evidence, Allen was liable, gave judgment against him, and quoted with approval the following quotations from a California case:

"If, however, this was not really the case, but that, in truth, the transaction was a mere trick to make it appear to the government and to the creditors and stockholders of the bank that it had a valuable note, when in fact it did not have one, the result must be the same, for, when parties employ legal instruments of an obligatory character for fraudulent and deceitful purposes, it is sound reason, as well as pure justice, to leave him bound who has bound himself. It will never do for the courts to hold that the officers of a bank, by the connivance of a third party, can give to it the semblance of solidity and security, and when its insolvency is disclosed, that the third party can escape the consequences of his fraudulent act. Undoubtedly, the transaction in question originated with the officers of the bank, but to it the defendant became a willing party. It would require more credulity than I possess to believe that the defendant, when his brother, who was the bookkeeper of the bank, came to him with the proposition of its vice-president, in its every suggestion and essence deceptive and fraudulent, did not know its true character and purpose. So far as appears, Naylor was a total stranger to him. Why should he execute his note to take up the note of Naylor? What moved him to do it, except to enable the officers of the bank to supplant the overdue note of Naylor with a live note, which he now insists was without consideration and purely voluntary, but which enabled the bank officers to make a deceptive and therefore fraudulent, showing of assets? Obviously nothing. There will be judgment for the plaintiff for the amount due upon the note sued upon, according to its terms, with costs."

Thinks Changes in Bank Act Would Improve the Service

Alberta Commissioner Says Bankers and Farmers Should Get Together in Considering Problems—Opposed to Government Schemes

EDMONTON.—In his long awaited report on the banking and credit system, Dr. D. A. McGibbon, professor of economics in the University of Alberta, states that he found sufficient truth and reason in the many complaints received from farmers to warrant important changes in the Banking Act, but he disapproves of the provincial banking idea which many of the Alberta farmers are asking for. Among the suggestions for such improvements is the appointment of a credit commissioner to consider future complaints about credit. It is claimed, too, that a maximum interest rate of eight per cent. should be fixed by law.

Banks Should Educate

A great deal of dissatisfaction with the present methods was found during the investigation upon which the report has been based. Much of the trouble has been due, thinks Dr. McGibbon, to the failure of the bankers and the farmers to understand and appreciate each others' problems. This fact, he says, has puzzled him considerably. "In the absence of any large, well-conceived, public-spirited attempt by the bankers to candidly and publicly explain to the rank and file of their agricultural constituency the position and problems of the banks in this province, naive views as to the ease with which credit can be manufactured are prevalent. Moreover, failing to come into contact in this direct and open way with the farmers' side of the problem, the bankers, I think, have failed to appreciate the farmers' position and their grievances. Most of these grievances, I believe, could be resolved amicably by conference, explanation, and discussion. The bankers have not taken, in my judgment, a long-sighted view of the western situation or they would seek this via media.

"If the banks wish to preserve this clientele," says the report in summing it all up, "they will have to adjust their policies and practices to meet the needs of these (farmer) customers. . . . . To my mind the great problem at the coming revision of the Bank Act should be to revise the act so as to enable the banks to become a convenient and flexible agency for the dispensing of credit to the farming as to the mercantile and industrial sides of our economic life. A failure to achieve this purpose will undoubtedly lead to the establishment of competing institutions, government-owned or otherwise, with this end in view. An agreement to enforce uniformity of practice in the matter of discounting smacks of monopoly. In the public interest where monopoly appears, so must regulation and control."

Rates of Discount

Considerable dissatisfaction also was found in different parts of the province with the discounting methods employed by the banks, and Dr. McGibbon came to the conclusion that the privilege of discounting should be limited to rates below a legal maximum rate of eight per cent., this rate itself to be subject to review every five years.

The effect of the present system, it is stated, is to impose a higher rate of charges upon the clients of the bank, and "at the present time there is being imposed upon the farmers of Alberta practice that in the past has not been insisted upon and has always been repugnant to them." The contention of the bankers that discounting had always been recognized as a fair banking practice does not seem to Dr. McGibbon as well founded. He goes on to say:

"I consider that the farmers have a legitimate grievance in that the banks have used the Canadian Bankers' Association as a means of getting together and agreeing upon discounting farmers' notes instead of allowing them to bear straight interest as had previously been the practice. This not only increases the rate but is a cause of much irritation to the farmers, who much prefer borrowing on a note bearing straight interest. I see no reason why the banks should not revert to their former practice and consult the wishes of their clients."

Would Lengthen Term

Too short borrowing periods formed another grievance of the farmers, which Prof. McGibbon found to have some justification. The banks date the notes to mature in July and August, whereas the farmers want them to cover the full period of their crop operations, that being the earliest time at which they are in position to settle.

"The essential elements of the case seem to be to provide a form of credit contract which will give the bank, in the event of certain contingencies, the power to take those steps it now often deems necessary and does take upon the renewal of the note. Practically the solution lies in extending the power of the bank to take security when it makes the loan initially. . . . If the details could be worked out amicably by representatives of the agricultural interests and of the banks it would do much to improve the relationships between them. . . . This problem would have to be considered and solved by any system of banking, provincial or otherwise, which might be devised to serve the needs of the farmers of the province."

Generous to Farmers

The complaint that the banks have not been sufficiently generous to the farmers in the way of giving credit is dismissed by Dr. McGibbon as unfounded. He discovered that at the close of 1921 the banks in Alberta were carrying over three times as large a sum as they did at the close of 1916, and in the light of this fact he considers that they have extended their assistance to the farmer on a much larger scale than has been commonly recognized, and that the Canadian banking system has stood a strain that no provincial institution could have endured.

"It is inevitable," says the report, "that there will be some individual cases of misjudgment and harshness. These, when discovered, are not to be condoned, but they grow out of the personal equation in directive, superintending, or managerial offices and cannot be eliminated in any system."

Credit inflation has been responsible for much of the present difficulty, it is held by Dr. McGibbon. Stock raising and beef production were particularly the cause of this inflation, and the banks were blameworthy along with other agencies that moved too actively during the boom years. The investigator says in his report on this phase of the situation:

"I think one reason why the province was over-loaned some years ago connects itself with the way the banks conduct their business. Their eyes seem to have been fixed absolutely upon the individual loan, as it came before them for scrutiny and the promise it afforded of profit. There seems to have been no limit placed upon the amounting aggregate of loans at the various branches. . . . The bank superintendents do not seem to have made any financial survey of the districts in which their branches are located with a view to determining adequate normal credit requirements beyond which the danger line of over-loaning would be passed for that district. . . . The result was a general credit inflation entailing peculiar hardship when its basis, an unstable post-war market for farm products, collapsed."

Against Provincial Bank

Prof. McGibbon does not think that the rural credit societies will grow rapidly in Alberta, though he regards them as a valuable auxiliary to the credit facilities of the province. The formation of such societies under conditions of extensive rather than intensive agriculture is a difficult matter, much larger units of area being necessary and there is a lack of solidarity among the Western farmers that would make such a system a success. The personal supervision of government inspectors, which is an integral part of the rural credit system, is regarded, however, as beneficial.

Dealing with the inadvisability of creating provincial banks, the report quotes figures from five Calgary bank superintendents showing that the approximate percentage of savings bank deposits of farmers to the total of such accounts at rural branch banks in Alberta is fifty-two per cent. and is only twenty-four per cent. of such savings at all branches of the banks in the province.

The chartered banks, it is pointed out, would probably retain two-thirds of these deposits, together with the bulk of the mercantile business, so that a provincial bank would for some years get only the less important end of the business. Not only would a provincial bank be unable to secure large sums in local deposits but it would be unable to draw on other parts of Canada to finance local loans and to handle business in times of local depression.

Prof. McGibbon concludes on this point as follows: "Apart from legal difficulties in the way, I cannot see in the establishment of a provincial bank a sure and practicable solution at the present time to the credit difficulties that beset the farmers of the province."

There is a gap in the present credit structure of the province, thinks Dr. McGibbon. "It exists between the credit facilities offered by the chartered banks and the long-term credit provided by the mortgage loan companies. . . . In the case of breaking new lands, farmers feel they could count on repaying the loan from the proceeds of the new crops within at least three years. The period is too short for a mortgage loan and too long for a bank loan. . . . Neither a mortgage loan nor a bank credit quite fills the bill. Even greater difficulties occur in using bank loans for a venture in livestock production."

A credit commissioner, clothed with powers similar to those given to the traffic commissioner dealing with the railways, is suggested in the report: "The duties of the credit commissioner should be to go and investigate specific complaints laid before him by farmers and others touching credits. . . . A very large percentage of the current complaints might be adjusted in this way with profit not only to the farmers and to the banks but to the public at large. He should prepare a report each year for submission to the legislature."

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TORONTO, MARCH 9, 1923

THE RESPONSIBILITIES OF EXECUTIVES

EXECUTIVES and directors of Canadian corporations must consider their responsibilities to the shareholders as of highest importance, if they are going to keep for Canada the high regard now held for this country in world investment markets. Sir Clifford Sifton's plea for a change of the constitution of the country that would make confiscatory legislation beyond the power of the provincial governments must be respected. Beyond this point the integrity of the directors and management is the sole protection of the shareholder.

The recent spectacle of a president of a large Canadian corporation selling out his controlling interest in an old established enterprise at a much higher value per share than was offered to the minority shareholders was deplorable. Such an attitude will not help to secure capital for business corporations in this country. The minority shareholders in this case were practically all Canadians. If protection is needed for Canadian investors how much more is it needed when British or foreign investors are persuaded to put their money into Canadian enterprises.

We have a recent example of a Canadian mining corporation going to England and raising a large sum of money from an important syndicate. When the syndicate sent representatives to Canada to look over the proposition they found a great many things not as described. They have gone ahead with the proposition, but with a much lower regard for Canadian mining enterprises. They have had to keep their own representative on the ground in Canada and to make certain changes in the fiscal arrangements of the company in order to assure themselves of control of all its operations. It is to be hoped in this case that the ultimate success of their operations is assured. Otherwise Canada is likely to get another black eye.

It is not enough that corporation heads should keep within the law in dealing with those who have invested money in their corporations. The protection afforded by the law is but the smallest part of the protection the investor is privileged to demand.

BANKRUPTCY SHOULD BE UNPROFITABLE

A CALL to make dishonest bankruptcy more unprofitable, is being made in Western Canada. Saskatchewan business concerns are raising the question of the apparent ease with which insolvent business concerns pass through the Bankruptcy Court and escape their obligations by authorized assignments, extensions, compositions or arrangements with their creditors. They declare that it is possible for a man to go through the Bankruptcy Court every three months and start business anew after each assignment.

The Regina Leader says that the province has had too many cases of insolvent debtors getting back into business before they had spent sufficient time on the penitent bench. Apparently repeaters have been numerous and dodgers varied, until, the Leader states, "it is impossible not to suspect that they are playing the bankruptcy law for all its worth and their creditors for all that is in them."

Drastic proposals are being urged to curb these professional bankrupts. It is being urged that courts exercise their powers to hold up discharges. The court may do this or make an order in respect of future earnings or after-acquired property. This might curb them. The most important suggestion, however, is to make the statutory period after which a discharge may become operative, two years instead of three months.

Another feature of the present Bankruptcy Act that is attacked, is that allowing extensions and arrangements with creditors. The Leader says that the experience of the West has been that financially powerful creditors disregard the interests of smaller creditors. Here is how it presents the case:

"Wholesalers, who can better afford to lose fifty cents in the dollar than to make an enemy out of the debtor, are often inclined to accept the proposal he makes when it is patently against the interests of all the creditors to accept it. We have recently had the spectacle of the court stepping in and disallowing a debtor's proposals in order to protect not only other creditors, but also the very creditors who had accepted it. A large share of the onus must be assumed by such creditors themselves. They appear to be afraid to oppose the acceptance of the debtor's proposal, well knowing that if he retains his business or starts up again he will bear them a grudge. The result of this cowardice is to encourage unscrupulous debtors to advance the most preposterous proposals."

That the whole moral fabric of business is being endangered by the present methods is a contention demanding serious consideration.

SHOWING HYDRO THE WAY

THE London City Gas Company has cut the rate to consumers 10c per 1,000 feet. The London Street Railway is giving patrons 22 tickets for a dollar and according to Mayor Wenige, will soon give 6 tickets for 25c.

These two reductions by private companies were made in rates authorized by the legislature. The gas company was granted permission to charge $1.25 per 1,000 feet. The new charge is $1.15. The Street Railway was granted permission to charge 5c straight. At this rate 22 tickets would cost $1.10.

In light of the complaints from Hydro power users and patrons of Hydro-run street car systems, that the rate they are being charged is much in excess of what they were promised and with the tendency of such rates upward instead of down, it is refreshing to see much criticized private corporations showing the way in reducing their tariffs as costs drop and profits increase as the result of efficient operation.

WHEN THE GOVERNMENT PAYS THE PIPER

THE REPORT of operations in 1922 by the Saskatchewan Co-operative Creameries, scarcely affords much encouragement to the ardent advocates of co-operative plans. The company deals in commodities which the public must buy; it is generously assisted by the government and has no very serious competition. In spite of these facts, a loss was sustained upon the largest annual turnover in its history.

"Does it not appear likely that with a few more years of experience and a few more years of loss, co-operative efforts in business are likely to fall into disfavor?" asks a Western correspondent, who adds: "So far, all efforts to monopolize sale of farm and dairy products as well as grain by the farmers themselves, has not proven exactly lucrative."

Western co-operative experiments would seem to indicate two things. In the first place that when the cooperators get away from marketing and enter the fields of highly specialized business, they lack in that experience necessary to get efficient results and heavy losses are the result. In the second place, even marketing schemes are not well handled when the government carries the burden for losses suffered; there is then no incentive to that kind of management which makes for sound business.

Co-operative efforts in the marketing of agricultural products can be made to show profitable returns to the growers, but such results will not be obtained if the government stands ready to make good for losses suffered.

GIVING THE SPECULATOR A CHANCE

THERE has been criticism levelled at certain methods of mining promotion. In connection with a couple of recent issues, no information was given as to the state of finances of the company and no protection for early investors providing the sale of stock did not produce sufficient funds to carry on progressive mining.

This is one of several important flaws in the present Companies Act. There is no provision to make the company issue a statement of the amount of stock being turned over for the property. Also, under the act, the directors or provisional directors need only to subscribe for one share of stock before they can proceed to allotment. The property may have been purchased for a large block of the stock. Not one cent of actual cash need be put up by promoters.

This weakness is appreciated and the English law on this point is being used as a guide by the Ontario Government in framing its Sale of Securities Act. This provides that before promoters may proceed to allotment, they must have raised an amount sufficient for the purpose of the issue. This is rather an indefinite term. The drafters of the measure stated that they first considered placing a definite sum in the act, but later encountered obstacles and decided that the amount could be well left to the judgment of the commissioner to be named to carry out the provisions of the act.

The legislatures will do well to see that investors in mining and other securities are reasonably safeguarded where this can be accomplished by legislation. People will never be prevented from losing money, but the risks of speculation need not be needlessly increased to the extent where capital will fight shy of Canadian ventures.

CANADA AS AN INDUSTRIAL POWER

IT IS safe to say, that few Canadians had realized that Canada was justly entitled to rank as one of the eight countries of chief industrial importance. We have long, and rightly so, considered ourselves as predominantly an agricultural people. It may come with some surprise to the more modest or less observant among us, says the journal of the Canadian Bankers' Association, to note that an objective and authoritative judgment ranks us fifth or sixth among the nations of the world in industrial development as well.

Under the peace treaties, it was provided that eight of the twelve government seats on the governing body of the International Labor Office, should be held by the countries of "chief industrial importance," the others being filled by election. The task of interpreting this phase was entrusted by the League of Nations Council to a special commission. It was agreed that seven standards should be applied: numbers of the industrial population (manufacturing, mining, transport); proportion to total population; miles of railway; relation of railway mileage to area; horse power used in industry; relation of this to population, and size of the mercantile marine. The United States was excluded from consideration, but Germany was included. The seven criteria were weighed differently. On one computation, the order of industrial importance was: Great Britain, Germany, France, Canada, Italy, Belgium, Japan and India; on the other: Great Britain, France, Germany, Italy, Japan, Canada, Belgium and Sweden. It was finally agreed to include India rather than Sweden as the eighth power. Evidently Canada's new industrial status is receiving as full recognition abroad as her new political status.

EDITORIAL NOTES

THE KINGS of the earth with their scepters are passing away, but it is better that modern governments should employ a club rather than a crutch as a symbol of their responsibilities to the people.

* * * *

ACCORDING TO the Gregory report the Nipigon system is going in the hole at the rate of $1,000 per day. Port Arthur was charged $25 by the Hydro but refused to pay more than $20 per h.p., although on a power-at-cost basis the price would be over $60 per h.p. Who is paying the difference?

* * * *

THE HYDRO Commission claims the Kaministiqua Co. capacity is limited to 16,000 h.p. A comparison of the watersheds and heads at which the Kakabeka Falls and Cameron Falls plants are operated would give the Cameron Falls plant a capacity of less than 25,000 h.p. How can the Commission justify a 75,000 h.p. plant on their own estimate; where will they get the water?

* * * *

"WHERE DOES the Review stand on this beer petition?" asks a reader of The Farm and Ranch Review. "My dear, Christian friend, why pick on us?" replies C. W. Peterson, the editor. "Is it necessary that the Review should stand anywhere on that question? Surely, our legitimate field is quite large enough without our looking for more trouble in the field of uplift! Uplift by education is one of the great forces that is making this world a better and better place wherein to dwell, but speaking personally, I don't know anything more futile than uplift by legislation."

Hear! Hear! Say we.

Present Corporation Taxes of Provinces Are Unfair

Some Suggestions From a Student of Taxation Looking to More Equitable Methods of Taxing Companies in Canadian Provinces and Cities

From Our Own Correspondent.

MONTREAL.—In every province of Canada is seen growing resistance between municipalities and provinces in regard to taxation. Both the cities and provinces are looking to new sources of revenue and their demands overlap. The result has been increasing burdens upon industry and business. Other problems of taxation enter into the situation; for instance, assessments upon which municipal taxation and in some provinces provincial taxation are based vary not only between provinces but between cities in a province. Galt Ontario, with a much smaller population than Guelph has about the same assessment.

Students of taxation matters see that a definite solution is co-ordination into one tax system of provincial and municipal taxation together with co-operation between the provinces to secure uniformity of treatment of corporations and to avoid double taxation. This involves a broader point of taxation than has been taken in the past. Prof. W. C. Keirstead, of the University of New Brunswick, who has made a careful study of provincial taxation systems, says, "Perhaps there is some justice in imposing special taxes upon certain industries but the time has come when the Provinces of Canada must secure a greater revenue by the taxation of the properties and incomes of all citizens on the basis of their ability to pay."

Prof. Keirstead points out in an article that he has contributed to the Journal of Political Economy of the University of Chicago that prior to Confederation, Canadian provinces secured the greater portion of their revenues from excise, customs and export duties. At Confederation they surrendered these rights to the central government in return for an annual subsidy. This subsidy it was at first supposed, would be sufficient to care for provincial needs. But as the provinces grew the federal subsidy became a minor source of provincial revenue. In Quebec and Ontario it does not provide for more than twelve per cent. of the ordinary expenditures. In the other provinces it provides from 25 to 30 per cent., although the percentage is higher in Prince Edward Island. Revenues from the public domain grew but these also were insufficient. Eventually taxation of corporations was resorted to and is now a most important source of revenue for the provinces. Insurance companies are taxed on some basis in every province and so are the banks.

The Taxes On Corporations

In discussing provincial taxation of corporations Prof. Keirstead has pointed out fallacies chiefly in the taxation of utilities and corporations. He suggests that instead of vastly different systems of taxation of utilities in every province there should be a tax based upon gross earnings. He says:

"The gross earnings for a province should include receipts from business wholly within the province, a portion of the receipts from business with one terminal within the province and a portion of the receipts from business which passes through a province but has neither terminal therein.

"If the tax assessed by the provincial authorities on the basis of gross earnings is to take the place of municipal taxation, then the rate should be fully equal to that paid upon other properties. But if, as may wisely be done in some cases, the local real estate is subjected to municipal taxation, then a lower provincial tax upon gross earnings is necessary."

Criticism is directed at the irritating taxes imposed by some provinces on extra provincial corporations. It is pointed out:

"There is a tendency among the provinces to seek revenue by taxing the citizens of other states or provinces. The citizens of a state other than one's own do not have the power to resist such taxation; they cannot work political injury, and, to some shortsighted men all such revenue is pure gain. But taxation of this nature is irritating, petty, and injurious. Restrictive legislation and discriminatory taxation of foreign corporations prevent free competition, limit interprovincial trade, and raise prices to provincial customers: it is provincial protection. New Brunswick imposes a tax of $100 a year upon each extra-provincial company with an authorized capital of not more than $100,000, and a tax of $200 when the capital is in excess of this amount. This tax is probably ultra vires of the province when applied to federal companies, but, since it is small in amount, it has been paid without more than verbal protest. Another method of discriminating against extraprovincial companies quite often used is to base the tax upon the authorized capital without regard to where it is employed. Naturally, it is the foreign company that generally has the greatest proportion of its capital employed outside of the province. Often some provision is made for partial relief in exceptional cases, but, as present tax legislation stands, this discrimination is in effect in several provinces. Still another form of tax discrimination is that employed by the province of Quebec, which has a higher tax rate upon foreign corporations, firms, and enterprises than upon provincial companies. A more common method of discrimination, employed by nearly all the provinces, is the requirement of a license or registration fee from each extraprovincial corporation in order to do business in the province. The fee for this initial registration or license is practically that required of a home company for incorporation."

Make all Companies Pay Some

Suggestion is made that it would be a bigger and wiser policy to subject small extra provincial corporations to such taxation only as is paid by all tax payers whether measured by net incomes, business transacted, or capital employed within the province rather than upon the present discriminatory basis.

On the subject of ordinary taxation of companies in the provinces some very good suggestions are made. Prof. Keirstead says:

"It is clear that taxes based upon the amount of authorized capital are lacking in accuracy or equity. Perhaps, when the rate is very low, ease in administration may justify this method, but if the tax is considerable it should be levied in a manner to conform to ability to pay, and, of course, should include partnerships or individual enterprises which have such ability. The incorporation fee or registration tax is payment for the privileges of the corporate form of organization. These privileges must not be overvalued, since they can be obtained by any business establishment on meeting the necessary conditions. The great privileges which the state confers upon industry are shared by all forms of business organization, although the corporate form generally exists where business is conducted on a large scale and taxpaying ability exists. A small annual tax may therefore be collected from corporations, without great injustice, whereas its extension to all classes of business might present administrative difficulties which would not be warranted by the gain. However, the increased expenditures of provinces are demanding the imposition of provincial taxation of a substantial character, which must rest upon the property or incomes of citizens in proportion to their ability, and the organization of provincial tax departments capable of effective administration. Several provinces have already organized tax departments and are undertaking to co-ordinate provincial and municipal taxation; in these provinces, the provincial commission supervises municipal officers in the assessment of real property, and, where there is taxation of incomes, directly conducts its administration.

Must Consider Other Taxes

"In determining the rate of corporate taxation, regard must be had to existing federal and municipal taxation. Federal taxation of corporations has greatly increased since 1914, and municipalities impose property taxes and, in addition, in most cases, income or business taxes in some form. Both the federal and the municipal tax levy are much heavier per capita than the provincial one. The Manufacturers Association, at its last annual session, adopted a resolution calling for a conference between **federal, provincial,** and municipal authorities in order to secure greater co-ordination in taxation and to avoid conflicts in jurisdiction. Federal taxation, of course, is beyond provincial control, but a province does not have full control over municipal taxation and it should so co-ordinate provincial and municipal taxation as to secure equity in assessment and efficiency in administration.

"There cannot be any complete separation of municipal from provincial sources of revenue. A partial segregation has obtained in the past and may be continued to an extent in the future: the province has always had the sole right to tax inheritances and it also gets certain fees for privileges that are its peculiar revenues. There are, perhaps, certain business enterprises of a province-wide character with a going value much in excess of their combined local real property values which may be taxed on such excess by the province. Such industries are often subject to provincial regulation and benefit in a peculiar manner, from provincial expenditures. But no sharp line can be drawn between provincial, municipal, or even federal functions.

"Several of the classes of corporations already mentioned are also taxed by the federal government. Many of them operate under Dominion charters and in case of a complete segregation of revenues much could be said for their allocation to the Dominion. Probably this would be favored by them as a sure means of securing uniformity of treatment and avoiding double taxation through conflict of jurisdiction. If the provinces had well equipped tax departments, much might be said in favor of the federal government's exchanging its income tax for the provincial taxation of these corporations. But under present conditions it would seem unwise for the provinces to seek uniformity in imposing taxes upon gross earnings and for the federal government to continue its taxation of the net incomes of these establishments.

Single Tax System a Need

"The co-ordination into one tax system of provincial and municipal taxation is the next step forward in provincial taxation. The provinces must deal both justly and firmly with their subordinate municipalities. It is unfair to a municipality to impose heavy provincial taxes upon corporations of a local nature or to reserve industries of heavy tax-paying ability for purely provincial taxation. These industries often have valuable real property, in local areas, which receives the full benefits of municipal government and should pay its portion of the tax burden. Yet certain corporations have often an intangible value, shown in earning capacity, not due to local conditions, which may be taxed by the province and, if so, should be exempted from local taxation. Although the municipality should receive the ordinary tax upon real estate, yet this form of property may exist in such a complex form as to be more equitably assessed by a provincial commission than by the local assessors. The provinces should see to it that corporations are not imposed upon by special taxes of different municipalities or subjected to excessive local taxation. We have about reached the position where the provinces are prepared to organize tax commissions to assess directly large corporations which must be treated as going concerns in order to be properly assessed, to regulate the assessment of real property in order to attain full valuations and equality of assessments, and to administer income taxation.

"The provinces should co-operate with each other to secure uniformity in the treatment of Dominion-wide corporations and to avoid overlapping of jurisdictions and double taxation. Perhaps there is some justice in imposing special taxes upon certain industries, but the time has come when the provinces of **Canada must** secure greater revenues by the taxation of the property and incomes of all citizens on the basis of their ability to pay."

PERSONALS

J. C. BLAIR, Canadian manager of Alfred Herbert, Ltd., makers of machine tools, Coventry, England, has just returned to Toronto from a business trip to Western Canada.

L. V. H. WADDINGTON, of the Leeds Woollen Importers, Toronto, is leaving New York on March 20, on an extended buying trip to the mills of Yorkshire, England.

JOHN R. SHAW, of Woodstock, Ont., the president of the Canadian Manufacturers Association, has sailed for Italy to attend the International Chambers of Commerce convention at Rome. It is intended to establish a world court to settle International trade disputes.

L. BIGGIN, general manager of the Canadian Wool Co., Ltd., Toronto, wholesale raw wool importers, left this week for Boston, Mass., on business, after which he will make an extended trip through the New England States in the interest of his firm.

H. C. COLES, director of William Warne and Co., Ltd., London, England, manufacturers of India rubber goods, has completed a business visit in Ontario and Quebec provinces with his Canadian agents, S. T. Heyes and Co., Ltd., Toronto, and will sail for home from New York on 10th March.

R. S. EWING, who is opening a general financial business in Winnipeg under the name of R. S. Ewing & Company, is a director of the Northern Canadian Mortgage Company, the Fidelity Trust Company and the United Assets, Ltd., and was formerly a partner in Simpson, Mitchell and Ewing.

L. B. BEALE, British Trade Commissioner in Winnipeg, is making one of his regular business trips to the Coast. Mr. Beale will establish his office at Vancouver shortly, with an officer in charge at Winnipeg under his supervision, thus still further strengthening the British Government Trade Commissioner service in Canada.

A. E. PEQUGNAT, A.I.A., F.A.S., who has been with the Mutual Life for many years, formerly in the actuarial department and latterly as assistant secretary and superintendent of the office, has been appointed comptroller of the company. His new duties embrace those of the former treasurer, J. H. Roos.

J. E. A. DUBUC, a prominent figure in the development of pulp and paper companies in the province of Quebec, has resigned from the committee of management of the Bay Sulphate Company of Port Alfred, Que., and the Saguenay Pulp and Power Company. It is understood that his resigation is the result of ill health and that he will spend some time in Europe. Mr. Dubuc is the founder of the Chicoutimi Pulp Company, now the largest producer of ground wood pulp in the world. His withdrawal will be regretted by a large circle of business associates and acquaintances.

H. C. BEVAN, formerly a salesman for the Royal Securities Corporation, but now resident in England, received some publicity in New York the other day when he ran into the red tape of the United States Customs Department. Mr. Bevan arrived in New York with his wife and baby. With him he brought a brand new baby carriage. He was asked to pay $40 as duty on the baby carriage. Mr. Bevan protested that he was only staying three weeks in New York and intended to take the carriage back with him and pointed out that travellers' effects were not dutiable. But the customs officials declared that the baby could not classify its carriage as part of its personal effects. Mr. Bevan paid. When he left for London he tried to get his $40 back. But his efforts were in vain. There was no rebate. It is said that Mrs. Bevan, who is the daughter of a wealthy British Columbia mining man, was so annoyed she declined to spend a dollar in the stores of the United States while she was there.

ALBERT E. WHITMORE, who was elected president of the Saskatchewan Mortgage and Trust Corporation at the annual meeting, was born in Dunnville, Ont., in 1876, but went West to Saskatchewan when only six years of age, attending public school in Regina and later going to Upper Canada College. He took up ranching on a large scale in 1898 and continued in this business for about eight years with considerable success. He was elected to the Saskatchewan legislature in 1908 as a member for Milestone, but retired after five years to give closer attention to his business affairs. In addition to being president of the Saskatchewan Mortgage & Trust Corporation, he is president of the Whitmore Bros., Ltd. president of the Regina Theatre Company, and president of the Regina Steam Laundry, provincial director of the Sun Life Assurance Company of Canada, director of the British Western Trust Company, director of the Saskatchewan Sanatorium and a director of the Regina Exhibition Association. He was president of the Regina board of trade during 1918.

LT.-COL. R. F. COTTRELL, a director of the British Canadian and General Investment Commission, Limited, London, England, is visiting Western Canada. His company conducts the business of an issuing house, and its affiliated companies in its office and trusteeships represent several millions sterling. It is associated in several companies with the Industrial and General Trust and kindred investment trust companies, and with the leading firms on the London Stock Exchange. It is also closely identified in several matters with Lloyds Bank. Among other companies of which Col. Cottrell in on the directorate, are certain companies whose funds were invested in Western Canada before the war, for example, the British Columbia Fruit Lands, Ltd., paid up capital and debentures amounting to £390,000. He is in Western Canada looking into matters relating to most of these companies. Col. Cottrell fully anticipates that it will be possible to carry out a good deal of financing of Canadian securities in 1923, in London.

The Bankers' Almanac

The Bankers' Almanac and Year Book, 1922-23 edition, the senior international banking directory of the world, has just been issued. There is a wealth of material contained in the 2,500 pages, which may be summarized as being full particulars, balance sheets, etc., of all the principal banks of the world engaged in international trade. There is also a large amount of other valuable data of interest to the firm or individual engaged in banking and all its ramifications into export trade. A complete index makes the information contained quite easily found. The book is edited by Sir Thomas Skinner. It is published by his company at Gresham House, London and sells for $12.

CITY OF TORONTO

5% Serial Coupon Gold Bonds

Dated 1st July, Oct. and Dec., 1922.

Due Serially up to 1952.
Principal and half-yearly interest payable at the Agency of the Canadian Bank of Commerce, in New York, in United States Gold Coin, or at the Office of the Canadian Bank of Commerce in Toronto, in Canadian currency, at the holder's option. Coupon bonds of $1,000 denomination may be registered as to principal.

THESE BONDS ARE A DIRECT GENERAL OBLIGATION OF THE CITY OF TORONTO

PRICES TO YIELD

1930-37 Maturities	-	5.20%
1943-52 Maturities	-	5.15%

(Payment in United States funds.)

A. E. AMES & CO.

Investment Securities.
UNION BANK BLDG. . . . TORONTO
TRANSPORTATION BLDG. MONTREAL
74 BROADWAY . . . . NEW YORK
BELMONT HOUSE . VICTORIA, B.C.
HARRIS TRUST BLDG. . . CHICAGO
Established 1889.

Members of Toronto and Montreal Stock Exchanges

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Only questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

WESTERN GROCERS

Reader, Winnipeg.—Would like your opinion of Western Grocers preferred. Why is it selling so cheap today?

Western Grocers preferred is selling at low levels now because the last annual report indicated that the preferred dividends were not earned. When the annual statement for 1922 is issued, as it should be shortly, it will be possible to size up the present position and prospects of this company to better advantage.

TECK-HUGHES

Reader, St. Mary's.—Would like your opinion regarding Teck-Hughes. What is the output?

Our most recent estimate of the production of Teck-Hughes, $100,000 monthly is correct. The first, which read $1,000,000 monthly, should have read yearly. However, between the two inquiries there was an improvement in the tonnage and output of the mine which led to the estimate of $100,000 monthly or $1,200,000 yearly. That this was justified is evidenced by the fact that the mine report for February shows an output of $106,200.

NORTHWESTERN MUTUAL

W. D., Windsor.—Kindly give me your opinion of the Northwestern Mutual Fire Insurance Company. Is it a good company for a public body to insure with? What was the per cent of its losses to its premiums in Canada last year?

As the Northwestern Mutual Fire Insurance Association maintains adequate assets in Canada for the protection of Canadian policyholders, it is safe to insure with. It has a Dominion license, issued May 10, 1918, and on Dec. 31, 1921, it had assets in Canada over liabilities of $98,829.

The ratio of the company's losses to earned premiums in 1921 was 49.25 per cent., while the average for all companies was 58.28. This indicates a careful selection of risks.

UNION INSURANCE

F. B., Toronto.—Is the Union Insurance Society of Canton, Canadian head office 36 Toronto St., a safe company to insure in? Are their undertakings backed by the parent firm?

The Union Insurance Society of Canton, Ltd., is an old established company with head office in Hong Kong. The company has been operating in Canada, on a tariff basis under Dominion license since 1917 As the company maintains adequate reserves and, on December 31, 1921, had assets in Canada over all liabilities of $711,988.55, it is safe to insure with.

Although the assets in Canada are designed to protect Canadian policyholders, the total assets of the company would be available if these should not prove sufficient.

STERLING COAL

S. J., Nova Scotia.—I would greatly appreciate your opinion of the Sterling Coal Company.

The Sterling Coal Company operates coal mines in West Virginia and also owns a controlling interest in the Conger Lehigh Coal Company and the Prudential Coal Company of Philadelphia. Coal mining is naturally somewhat speculative owing to labor conditions and other factors. In 1915 and 1916 the company deferred payment of its bond interest, but we understand this has been fully paid up with interest. The bonds may be classified as a business man's investment.

The company has no preferred stock. We understand there is a market for the common between 20 and 25.

ROUYN GOLD

E. D., New Brunswick.—I believe that the latest gold find has been in the northern part of Quebec—around the township of Rouyn, I think it is called, just across the border from the Cobalt district. Shall be glad to get any reports or information you might have on the above find in Quebec.

The rush to stake claims in Rouyn, Que., has only started. Most of the staking has been done on the snow. There promises to be a tremendous rush in the spring. However, quite a number of claims, including the original discovery, were taken up before snow fell and the surface showings lead to the belief that the formation is a continuation of the Kirkland Lake camp. This remains to be proved. A couple of large concerns, well financed, are doing some work in there already. They will undoubtedly endeavor to prove up the properties and then form companies. For the present no mining companies have been organized to operate the new camp but there are a number of syndicates being organized to carry on prospecting.

MERCURY KNITTING AND CANADA FLOUR

Reader, Bassano.—Would you kindly inform me on the following companies: the Mercury Knitting Mills of Hamilton and the Canada Flour Mills of Chatham. What are the financial and business conditions existing? What are their past records? Who is at the head of each company? Are their stocks publicly or privately owned? What do you think of their bonds as investments?

We are sending you prospectuses issued in connection with the recent bond issues of the Mercury Knitting Mills of Hamilton and the Canada Flour Mills of Chatham. We believe that these will give you the information requested.

You will realize that these are attractive bonds from the standpoint of yield. The proposition is that you have an opportunity to share in a first mortgage on these two properties. There is then a certain amount of business risk as might be expected in relation to the yield offered. Another point which might be considered is that there is rather a limited market for issues of this kind as compared with issues listed and this might be a factor in the event of a desire to realize before maturity.

L. R. STEEL

M., Saskatchewan.—Would like some information regarding the L. R. Steel Company, in order to place a value on some shares belonging to an estate.

You do not state what one of the several Steel issues are held by the estate. There are the "Stores" preferred and common and "Realty," preferred and common. This stock was sold in units, at $250 a unit and these units are now quoted in unlisted security circles in Toronto around $30. A Denver list of quotations, which shows the selling price of the various Steel issues in that section, are as follows: Steel Realty, pref., $24, common, $8; Stores, pref., $20, common, $10.

Any price that you would get for the shares to-day would be materially lower than the purchase price. The Steel enterprises are not in good shape and it looks as if it will be a long hold before one will be able to get back the full purchase price. Recently L. R. Steel relinquished control and a board of five men took over his task. They have announced that a number of the ventures which Steel had under way at the time would be abandoned and that they would give their full efforts to trying to make a success of the stores.

TAXES ON INSURANCE

F. H. M., Montreal.—Can you tell me if succession duties and income tax must be paid upon the principal sum of an insurance policy taken out for protection of a partnership?

In the province of Quebec, and we presume the ruling will be followed by the other provinces, the attorney-general has decided when insurances taken by a corporation on the life of one of its officers without any obligation on the part of the person on whose head the insurance is so taken, such person cannot be held as the insured and consequently at the death of such person there is no transmission of the insurance money payable. In brief, the province holds that business insurance does not form a part of the estate of a person.

In the case of partnership insurance where one partner insures himself in favor of the other, everything would depend upon the terms of the partnership. Some partnerships are dissolved immediately at the death of either party, others are continued. In most cases, however, the above ruling would apply.

The federal government does not charge tax upon insurance policies paid as it does not consider the principal sum as an income, but premiums paid by insurance cannot be deducted from income.

SOUTHERN CANADA POWER

C. M., Nova Scotia.—Will you please give us your opinion on Southern Canada preferred as a buy at the issue price of 90 as an investment stock for a business man. Will their business warrant an appreciation on this price in the not too distant future? Is the common a buy at 33 for idle money that will not be needed for a year or two?

Southern Canada Power is now offered at 86 and at that basis returns a yield of about 6.90 per cent. to the investor. The growth from year to year in the company's business, both in the number of customers served and in the gross and net profits, indicates that this dividend is well assured and the preferred may be considered as a stock that is rapidly reaching the investment class. The future price of the stock is more likely to be governed by the trend of interest rates than any other factor and this will mean a gradual rise. We would not look for any substantial increase, however, as the stock is selling at a fairly high level. The common is a security with a future. The company wrote its profits after preferred dividends and most of its profit and loss surplus into depreciation account last year and it is likely that this policy of strengthening the balance sheet will be continued for some time. This will probably preclude any dividends on the common for some years yet but the cash will be going into extensions and into improving the liquid position of the company, which will add to the book value and in time to the market value of the common stock.

ST. LAWRENCE FLOUR

R. M., Winnipeg.—Why is St. Lawrence Flour Common so cheap today?

At present prices St. Lawrence Flour common is selling at almost the high level since the bonus of 4 per cent. on the common stock was dropped early in 1921. Dividends are now being paid at the rate of 6 per cent., which takes $72,000 a year. Profits in 1922 were $106,853 after payment of bond interest, taxes and preferred dividends. Considering that the stock pays but 6 per cent. now the present level is quite high enough and any increase will be in expectation of the bonus being resumed.

This may depend to some extent upon export trade. During the past year there was considerable competition among Canadian mills that cut the prices of flour down and cut the net profits per barrel. This was because the export business had fallen away to a very small volume and the mills were faced with the problem either of closing down a large portion of their plants or securing business from domestic sources through heavy cuts in prices. Thus a great deal of flour was turned out and sold on a very small margin of profit.

At the present time the prospects for export trade are very encouraging. During January the mills exported a greatly increased volume of flour and new markets are being opened in various parts of the world. This is one of the most favorable factors in the market situation for St. Lawrence flour common stock.

ECLIPSE INSURANCE

R. T., Newfoundland.—I am enclosing an Eclipse prospectus for accident and sickness insurance, and as this appears to be a good policy I would like to hear something about this company, as to their financial standing, etc., and if they pay their claims in a proper and satisfactory way. I hear rumours from various sources that this company is not of the best standing, but of course rumours may be incorrect. The following companies are represented in this town: Union Fire and Casualty Co.; London Guarantee & Accident Co.; North American Ins. Co.; and the Canada Accident Ins. Co., also the Merchants Casualty Co. Which of these companies do you recommend as the best for the assured from an all round standpoint?

The Union Fire and Casualty Company which issues the Eclipse accident policy to which you refer, is a Winnipeg company which operated in that province under a provincial license. It is not listed among the companies licensed to do business in the whole of the Dominion. The rest of the companies you ask about are licensed to do business in the Dominion of Canada, except the American Accident Insurance Co., and this is not listed.

Companies allowed to operate in the Dominion must deposit with the receiver general an amount which is believed to afford sufficient protection to policy holders. Besides they must submit an annual report to the Federal Supt. of Insurance. The provinces also issue reports. The Manitoba report for 1921 gives the assets of the Union Fire and Casualty Co. at $325,555 with liabilities $204,685. The company has on deposit with the province $17,896 to protect the policy holders in that province.

The London Guarantee and Accident has on deposit with the receiver general at Ottawa $1,404,942, and other assets in the Dominion bring their total up to $2,078,158. Besides this there is the parent company behind the Canadian operations and the British company has assets totalling £6,311,673.

The Canada Accident has on deposit at Ottawa securities accepted by the government as having a value of $150,000. The company's assets are $719,000 or $336,965 in excess of its liabilities.

The Merchants Casualty has on deposit $141,777 and has net assets totalling $327,736. The liabilities in all countries total $208,904.

That is the Canadian position of those companies. In sizing them up in Newfoundland, the outlook might be different. However, the strictness of your insurance laws and the manner in which they are enforced would have much to do with the companies. If the laws are about the same as the laws of Canada and are enforced, the position of the companies might be relatively the same. However, it is well to look into the protection which is afforded to your policy holders. We would undoubtedly pick the strongest company in purchasing a policy. You will have no trouble in reaching a decision in this regard, on sizing up the assets of the companies.

CURRENT OPINIONS

SUGGESTED TAX REVISION

Hardware and Metal

One of the most important suggestions made in connection with tax revision is that allowance be made for losses in the case of corporations and to balance these up against profits. As the law has stood ever since its inception in Canada, if a man lost $10,000 on one year and made $15,000 the next year he would pay an income tax on the $15,000 the second year, whereas his net gain in the two years would be only $5,000. It will be pointed out that in the United States the law is so arranged that a man may take two years to wipe out losses, and that losses made in one year are allowed for the next two years. For instance, if a loss was made in one year of $10,000, and a profit made the next year of $5,000, there would be no income tax and if the profits the third year were only $7,000, that would leave an amount of only $12,000 on the two years to offset the loss of $10,000 the first year, leaving an income chargeable only on the $2,000 net profit taken in the three years. On the other hand if a loss of $15,000 in one year were only partly made up in the two succeeding years, the privilege would end, and the full income tax be charged for the fourth year. The failure of the income tax law to take cognizance of losses in any one year has always been considered a hardship in Canada.

THE BROTHERHOOD IN BANKING

New York Herald

The purchase by the Brotherhood of Locomotive Engineers of a large interest in the Empire Trust Co., and the Brotherhood's announcement that it will establish a bank with branches of its own in New York city must engage the attention of everybody who give thought to industrial problems.

The Brotherhood of Locomotive Engineers is the most powerful financially of all the labor unions. The Empire Trust Co. is a big bank. The chain banking of the kind the Brotherhood intends to engage in means financing in a large way. How is the public to interpret such a step in the direction of capitalistic interests by a labor union?

Affiliation of the Brotherhood with the trust company is merely another phase in a logical and desirable development which has been evident in the Brotherhood for some time. This union whose resources are now estimated at $19,000,000, already has in operation ten co-operative banks, with six more in process of organization. It manages extensive coal properties, a department store and other co-operative businesses.

Locomotive engineers earn good pay, and there are 90,000 of them in their organization. It is natural that they should have large resources and that they should develop them. In that development there is material for a better basis of understanding of capital by labor. Participation by labor in such enterprises as the Brotherhood has undertaken ought to work against class consciousness, and class consciousness is the worst enemy an industrial society can have.

Let labor share some of the responsibilities of capital. Let it through practice arrive at a better understanding of what capital is rather than believe what the soap box agitator says it is.

THE BRITISH FAILURES

Sydney Record

In a recent article in The TORONTO FINANCIAL POST, Mr. G. T. Milne, Senior British Trade Commissioner in Canada, pointed out that very often "the non-success of British manufacturing concerns overseas has been in a large degree owing to the failure of the administration in the United Kingdom, and sometimes also locally, to rightly interpret the local atmosphere." There is no question that Mr. Milne was right in that. A conspicuous and melancholy example of British failure for such reason as Mr. Milne cited, though one outside the manufacturing field, was the Grand Trunk Railway. 'When in Canada do as the Canadians do' is, with reasonable qualifications, a very good rule for the business man or manufacturer from another country who wants Canadian custom. One reason why American business men have done so well in Canada in many instances is that they have studied the ground and carried on their operations in ways that the Canadian people know and approve. Some British firms, on the other hand, have failed to realize that "policies admirable in conception, and capable of being carried out successfully in the United Kingdom, are not necessarily to be so regarded where an overseas branch is concerned."

Big Profit on The Financial Post's Selection of 10 Best Dividend-Payers

In October, 1921, the manager of the branch of the Bank of Hamilton in a Western Ontario town asked us: "What are the best ten dividend-paying Canadian stocks?" The question was placed before a number of the leading Canadian investment houses for their consideration and their suggestions were printed at that time.

It is now interesting to see what has occurred in relation to the stocks then recommended as being the most attractive dividend-payers for a business man's investment. Thirty-six preferred and common stocks were mentioned and in the following summary the prices prevailing at the end of October and the prices at the first of the present month are compared, showing the change. In only three cases have there been declines from the October, 1921, price, while gains of 20 points are common, and in the case of Ogilvie an advance of 129 points is noted.

Common	Price Oct. 28 1921	Present Price Mar. 1 or last Quotation	Change
National Trust ..	190	210	+ 20
Consumers Gas ..	67	*153½	
Canadian Pacific .	123¼	148¼	+ 25
F. N. Burt, com. .	98½	133⅞	+ 35⅜
Mont. Power Cons.	85¾	115¾	+ 30
Shawinigan Power	104	118	+ 14
Winnipeg Elec., c.	37	37⅛	+ ⅛
Lake of Woods, c.	139	182	+ 43
Dom. Textile, com.	137	†68	
Ottawa L. H. & Pr.	65	92	+ 27
Dominion Bridge.	78¾	72¾	— 6
Can. Cottons, com.	77	126½	+ 49½
Can. Cement, com.	57½	87	+ 29½
Steel of Canada, c.	63	75	+ 12
Can. Gen. Elec., c.	95¼	89	— 6¼
Can. Perm. Mtge.	175	193	+ 18
Cons. Smelters ..	19½	28	+ 8½
Mackay, com.	76⅛	118¾	+ 42⅝
Ogilvie Fl. Mills, c.	184	313	+129
Bank of Hamilton	173	166	— 7
Bell Telephone ..	105	122	+ 17
Penmans, com. ..	99	147	+ 48
City Dairy	88	101½	+ 13½
Porto Rico	75	80	+ 5
Steel of Canada ..	90	100⅛	+ 10⅛
Winnipeg Electric	88(May 1922)	86	— 2
Asbestos Corp. ..	80¼	88½	+ 8¼
Can. Locomotive .	79	92	+ 13
Maple Leaf Mill.	95½	100	+ 4½
Mackay.	61	71	+ 10
F. N. Burt	103	132	+ 29
Can. Gen. Electric	95	103	+ 8
Canada Cement ..	88	103	+ 15
Dominion Textile.	105	108¼	+ 3¼
Lake of Woods ..	104	114	+ 10
Penmans	83	95½	+ 12½

*Par value changed from $50 to $100 Feb. 6, 1922.

†Split of stock 3 for 1, Jan. 23, 1923.

RSC INVESTMENT-SERVICE

Partial View of Plant of Bathurst Company Limited

$32.50 on $500
$65.00 on $1,000

IF you have $500 or $1,000 or more to invest and wish to place it securely and yet enjoy a substantial rate of interest, you cannot do better than purchase the 6½% First Mortgage Convertible Sinking Fund Bonds of The Bathurst Company, Limited.

THE security behind these Bonds is in the ratio of 3 to 1, or $3,000 for every $1,000 Bond outstanding.

THE record of the Company since 1907 shows ample net earnings to cover Bond interest requirements.

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NEWS AND VIEWS ABOUT BONDS

BOND MARKET IS SHY OF ISSUES; PRICES ARE FIRM

But Few Issues Were Placed During Past Week; Demand Heavy

Bond offerings have continued small during the past week, as a result of which bond houses find it difficult to secure sufficient bonds to meet their requirements. For some time the banks, and the insurance, loan and trust companies, have had funds in excess of that required to absorb the mortgages offered. Consequently they have been big buyers of bonds. In February one bank purchased the issue of an Ontario city at a price to yield 5.40 per cent. Had the issue been sold elsewhere, the city would no doubt have used part of the proceeds to reduce its current obligations to the bank. By purchasing the bonds the bank succeeded in keeping its money out, on the same security, at a rate nearly equal to its current loan rate.

While some dealers feel that the market will not hold to its present buoyant course, there seems little possibility of a reaction, which would be slight in any case, unless some large offerings come into the market. While tenders close this week for a number of issues, including $750,230.34 city of Windsor, $300,000 town of Trenton, and $275,000 city of Vancouver, and some smaller issues, there are none of sufficient size to seriously affect the market.

Two sales were recorded during the week. New Toronto sold an issue of $49,000, six per cent., fifteen and twenty-year instalment bonds to Murray & Co. at 101.29, a 5.85 per cent. basis.

The bids were:

Murray & Co.	101.29
Bain, Snowball & Co.	100.26
Canadian Debentures Corp.	100.066
Nesbitt, Thompson & Co.	100.03
Bell, Gouinlock & Co.	99.40
McLeod, Young, Weir & Co.	98.87
R. C. Matthews & Co.	98.03
MacKay & MacKay	97.00

The city of Hull sold an issue of $59,000, 5½ per cent. bonds, due May 1, 1962, to C. H. Burgess & Co. at 100.32 to yield 5.49 per cent. It is understood there were three other bids, all of which were higher than that of the firm to which the bonds were awarded. The highest bid was delayed in the mails and failed to reach its destination in time; one firm neglected to enclose a cheque as required; while in another case, through an oversight, the tender was unsigned, although a marked cheque was enclosed.

The bids were:

Dyment, Anderson & Co.	100.47
Gairdner, Clarke & Co.	100.373
C. H. Burgess & Co.	100.32
R. C. Matthews & Co.	100.255
McLeod, Young, Weir & Co.	99.29
Municipal Bankers Corp.	99.22
Greenshields & Co.	99.21
Dominion Securities	99.127
Credit Canadien	98.40
Rene T. Leclerc	98.33

During the week a syndicate composed of Harris, Forbes & Co., the National City Co., the Guaranty Company of New York, Dillon, Read & Co., A. E. Ames & Co., and the Continental and Commercial Trust and Savings Bank, offered a new issue of $3,000,000 city of Montreal, 5-per-cent. gold bonds, due November 1, 1942, at 97½ and interest, yielding slightly over 5.20 per cent. This is a balance of an issue purchased some time previously. As the bonds are payable in New York they are being offered on the American market.

MANITOBA BOND RATING

Manitoba is congratulating itself on the fact that a bond-rating list recently published has moved bonds of that province up to the highest class. The Winnipeg Tribune says that a triple "A" rating is given only to bonds or stocks that are to be regarded as the best of the high-class group, not only in the matter of actual security of principal and certainty of interest or dividend payments, but of general marketability. In other words, issues of this type are almost ideally situated so far as these matters are concerned.

TO INCREASE CAPITAL

St. Lawrence Paper Mills shareholders meet on Monday to vote on a proposal to issue an additional block of 15,000 shares of 8% cumulative preferred stock. It is also proposed to increase the capital from $1,200,000 to $2,700,000.

UNLISTED BONDS

	Bid	Asked
Abitibi Gen. Mtge. 6's 1940	95½	96½
Algoma Steel 5's 1962	43	..
Amer. Sales Book 6's 1927	98	100
Ash. Hardware 5 p.c. 1928	89	..
Brompton P. & P. 8% 1941	105½	106½
Can. Harch. 6's, 1940	75	80
Canada Salt 7's 1941	100	102
Wm. Davies 6's 1926	104	..
Dom. Iron Steel 5's 1939	81	82
Dunlop Tire 6's 1927	97½	..
Dom. Sewer Pipe, 6's 1927	90½	..
Dom. Mfg. 6's 1933	82	87
Eastern Car 6's 1952	92½	..
Gord. Iron & Fare 6's 1927	..	45
Harris Abattoir 6's 1928	99	..
H. Smith Paper 7% 1941	100½	101½
King Edward Hotel 7's 1933	84½	86
K. & S. Tire 7's 1935	75	80
L. Superior Paper 6's 1941	103	..
Marcus Loew's 8% Notes	..	98
Mattagami Pulp 6's 1937	60	..
Mattagami Pulp 7% Deb.	27	32
Morrow Screw 6's 1931	88	..
M. Royal 8% Deb. 30% c.	92	94
Man. Power 7's 1941	101	..
Neilson's Wm. 6's 1933	96	..
N. S. Steel 6% Deb.	91	92
Spanish River 8's 1941	103	105
Stan. Clay Pro. 6% 1942	..	90
Western Power 5's 1949	84	86
Whalen Pulp 7% Deb. 1932	58	61
Burns P. 1st Mtge, 6's 1924	104½	..
Simpson Robt. 5's 1952	85	..

L. & P. S. Lost Heavily In 1922 Operations

The London and Port Stanley Railway, Sir Adam Beck's first venture in radial railways, shows a heavy deficit as a result of 1922 operations. It will run around $25,000 or $30,000. This is the first year that the road has shown a deficit and it is blamed on the lack of coal shipments which provide a good part of the revenue of the road. The City of London owns the right-of-way and leases it to the railway for the nominal fee of $20,000 a year.

NATURALIZATION IS PROVINCIAL RIGHT

Privy Council Says Power Exists to Restrict Oriental Employment

That the Dominion government has not the exclusive right to legislate on the subject of naturalization, is the ruling of the Privy Council handed down in a British Columbia case. It was a dispute between a large lumber concern, holding timber leases, and the province. The latter inserted clauses in the lease prohibiting the employment of Chinese or Japanese. Another important ruling was that the province had the right to impose regulations on Crown lands held in the right of the province. The timber concern asked for a renewal of their license on the ground that the province had not power to impose the conditions it had in the lease. The Privy Council held that in employing Chinese and Japanese the stipulation against the employment of Orientals had been broken and there was no right to a renewal of the lease. Also that the province had the right to insert these stipulations.

ALABAMA TRACTION

The Alabama Traction, Light and Power Co., reports earnings of its Alabama subsidiaries for the month of January, as follows:

	1923	1922	Inc.
Gross inc.	$532,145	$427,261	$104,884
Oper. exp.	302,805	207,371	95,434
Net	$229,340	$219,890	$ 9,450
For twelve months ending January 31:			
Gross inc.	$5,850,205	$4,574,338	$1,276,867
Oper. exp.	3,090,033	2,195,085	894,948
Net	$2,760,172	$2,379,253	$ 380,919

BIG APARTMENT HOUSE BOND ISSUE COMING

Structure Will be About the Same Size as the Mount Royal Hotel

From Our Own Correspondent.

MONTREAL. — While definite financing has not been arranged, it is planned to provide a large part of the cost of a new apartment structure to be built in Montreal by the issuance of 20 year first mortgage serial bonds. The apartment building, when erected, will be the largest in the British Empire. An excellent downtown site has been secured and the building will have 250 apartments, making the structure approximately the same size as the Mount Royal Hotel. Some idea of the possible cost can be had from the cost of the Mount Royal, which was in the neighborhood of $7,000,000. The apartment will probably run about $5,000,000. And it is likely that the bond issue will be the largest first mortgage real estate bond issue ever offered to the public in Canada.

The president of the company is P. R. duTremblay, of the newspaper La Presse, who built the Drummond Apartments here. Dr. duTremblay built the Drummond, providing the funds from his own account and superintending the construction himself. Later he arranged a first mortgage bond issue of $650,000 which was sold by the Royal Securities Corporation in 1919. It is likely that the present building will be built under general contract by some large engineering firm, and the bonds may be offered well before the completion of the building.

British Like Paper From Canada's Mill

From Our Own Correspondent.

MONTREAL.—It is anticipated that Canadian paper mills will do a satisfactory volume of business in the British Isles this year. Stiff competition may be expected from Scandinavia but the Canadian products are held in high regard. In regard to kraft, it is stated that the Canadian goods are highly eulogized by consumers in Great Britain.

Bond Prices Fell for Over 20 Years; Will They Now Swing Back as Far?

From 1897 to 1920 bond prices showed the greatest decline that one could imagine. In 1897, Canada floated a 2½ per cent. loan in London, the lowest rate of interest the nation ever paid on a loan. The actual cost of the money was around 2.80 per cent. as the loan was floated at a discount. By 1920, though there were Dominion of Canada bonds available to yield the investor more than 6 per cent. The province of Ontario floated a loan at a cost of over 6.80 per cent.—a full 4 per cent. more than the 1897 level.

From the high point bonds reached in 1897 to the low point in 1920, the change was almost continuous. Now the turn has definitely come and has proceeded in a marked degree. The bond market is back where it was in 1917, so far as level of prices is concerned, although in its technical position it is vastly different. Bond prices seem to be in for a long movement in the other direction—a movement that may last for years as the other one did. And yet just as the downward movement was marked by periodic movements upwards and downwards in a response to economic promptings, so is the future movement certain to have its minor cycles within the longer major cycle.

Looking Back Twenty Years

A study of economic movements and bond price changes over a term of years will indicate the reasons for many changes in investment markets. Let us consider the past twenty years in Canada and see what has been happening.

The year 1903 was a year of mild panic—a financial panic entirely in that only investments were markedly affected. It was followed by improving conditions that lead to real prosperity in 1905, when the record will be given in more complete fashion:

1905.—Proserity predominant. Commodity prices high. City of Toronto bonds on a 3½% basis and average yields about 4%.

1906.—Prosperity continued. Commodity prices slightly higher. Bonds at much the same level. Insurance companies badly hit by San Francisco fire. This disaster helped to bring period of prosperity to an end.

1907.—Big panic year. Much depression. Bond prices declined. City of Toronto bonds on a 4½% basis.

1908.—Depression continued. It was observed that the panic came suddenly and that reconstruction proceeded very slowly. Bonds began to improve and commodity prices declined. Toronto bonds on a 4¼% basis.

1909.—Business improved visibly. Bonds also strengthened and Toronto issues were on a 4% basis.

1910.—Further progress toward prosperity. Commodity prices began to decrease and bond prices remained only steady.

1911.—Bond prices declined. Notice how the decline was synchronous with the increase in commodity prices.

1912.—Business on the decline rather than moving upwards. Real estate booming. Bonds declining yet the Toronto's were on a 4.20 per cent. basis.

1913.—Business and bond prices both declining. Real estate boom ending. Money tight. Rates high. City of Toronto bonds yield 4¾%.

1914.—The war opens. Wheat jumps. Investment securities tumble at the start but later stabilize themselves. Commodities prices commence startling upward movement.

1915.—Business expansion commences on wide scale. Money rates rule easier despite this. Munition export commences. City of Toronto bonds 4.95% to 5%.

1916.—Similar conditions continue. Marked expansion in business. City of Toronto bonds sell at 5.30%.

1917.—First of domestic Victory loan issues. This set a new yield basis and bonds rule around 5.50%.

1918.—Commodity prices had climbed to two and a half times normal. Tremendous prosperity. No unemployment. Everybody has lots of money.

1919.—Extravagance of a riotous nature. Commodity prices still moving upwards. Municipal bonds yield up to 6%. At the end of the year stock prices forecast the end of the boom.

1920.—The peak is reached and the turning point comes. Business continues good with some unemployment near the end. In December, bonds reach the lowest point. Ontario loan to yield the public 6.60 per cent. Commodity prices show a distinct fall.

1921.—Bond prices commence to improve. Commodity prices continued to decline slightly. At the close of the year bond prices took a sudden and determined turn upwards.

1922.—Commodity prices rule steady with some tendency to increase in a few lines. Business began the long pull upwards. Bonds continued their steady advance early in the year showing slight reaction later. Year closed with the world still struggling towards prosperity and bond prices firm.

BOND MOVEMENTS OF THE WEEK

Week Ending March 6

BONDS—	Int. Rate	Due Year	Yield	Range High	1922 Low	Range 1923 High	Low	Lates Ask	Price Bid	Week High	End Low
Bell Telephone	5	1925	5.26	98	94	99¼	97¾	—	100	99¼	—
Can. Bread	6	1941	6.12	99	88½	98	96	—	98½	98½	—
Can. Cement	6	1929	5.72	100½	94	101½	100	—	100½	101½	101¼
Cons. Rubber	6	1946	5.78	100¾	88	102⅜	100½	—	101¼	102⅜	—
Cedar Rapids	5	1953	5.29	97½	93	96½	95½	—	96½	95½	—
Dom. Canners	6	1940	6.40	97	93	95¾	95¾	99½	97	95¾	—
Dom. Iron	5	1929	6.22	94	82½	93¾	92¾	94	92	93⅛	93
Dom. Textile (A)	6	1925	6.00	101	97¼	100½	99¾	—	100	100½	100
Do., (C)	6	1925	6.00	101	97¼	100½	100	—	100	100	—
Do., (D)	6	1925	5.90	100	98	100¼	99¾	—	100	100¼	—
Montreal, May	6	1923	5.30	104	99	100¾	100	—	100½	100¾	100⅝
Do., Sept.	6	1923	6.00	102	99	100	99¾	100	99¾	100	—
Penmans	5	1926	6.30	94¾	90	96	93¾	—	93½	95½	—
Quebec Railway	5	1939	7.90	87¼	63½	74¾	69	—	74	74½	73
Soa Paulo	5	1929	6.95	91½	80	89½	88¾	90	89	89¼	88⅞
Span. River	6	1931	5.50	115	83½	106	103½	—	103	103½	—
Steel of Canada	6	1940	5.95	100¾	97	100½	99¼	—	101	100½	100
Wayagamack	6	1951	7.28	88¾	71¾	85	80½	85	84½	85	84¼
War Loan	5	1925	4.75	96.30	96.10	100.80	99.10	—	100.70	100.80	100.00
Do.,	5	1931	4.82	99.90	96.25	101.80	99.80	101.50	101.30	101.30	101.25
Do.	5	1937	4.71	101.50	99.50	103.00	101.25	103.50	103.00	103.00	102.60
Victory	5½	1923	5.09	100.70	98.75	100.95	100.25	100.70	100.40	100.50	100.25
Do.	5½	1924	5.02	100.75	98.00	101.40	100.25	101.00	100.70	101.00	100.40
Do.	5½	1927	4.78	102.70	99.75	103.00	102.35	103.40	103.15	103.00	102.80
Do.	5½	1933	4.76	104.35	101.25	106.70	104.40	106.50	106.30	106.30	106.00
Do.	5½	1934	5.16	101.45	98.80	103.90	101.30	103.15	103.00	103.10	102.75
Do.	5½	1937	4.72	106.25	103.00	108.30	106.50	—	108.35	108.30	108.00
Do., Renewal	5½	1927	4.95	101.10	99.40	102.80	101.00	—	102.40	102.80	102.40
Do., Renewal	5½	1932	5.18	101.10	99.70	103.00	101.00	102.90	102.50	102.50	102.30

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JOHN S. FERGUSON, General Agent.

TECK-HUGHES Taps Rich Orr Vein

ADVICES just received are that Teck-Hughes has connected up the high-grade Orr Vein on the 400-foot level, and where the junction was made the ore is heavily filled with coarse, free gold.

Where encountered on the Orr, the vein, showing a width of four feet, is reported as much richer than in the same vein on Teck-Hughes.

We believe the Orr property will yet make Teck-Hughes one of the largest producing gold mines of Kirkland Lake, and within a reasonable period the company will begin the distribution of regular dividends.

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CANADIAN PACIFIC

The Canadian Pacific Railway reports earnings for the week ending February 28, amounting to $3,001,000 as compared with $2,815,000 for the corresponding period in 1922, an increase of $186,000.

CONSOLIDATED SMELTERS

Ore receipts at Trail Smelter for the week ending February 21, amounted to 8,973 tons, 7,967 tons of which were produced by the company's mines and 1,006 by other mines. From January 1, to February 21, the receipts totalled 62,311 tons.

The United States was Canada's best customer during January, purchasing $30,270,860 of Canadian products, as against $21,134,715 in January of last year, according to a summary of trade with that country issued by the Dominion Bureau of Statistics.

CIVIC AND PROVINCIAL FINANCE

HEAVY TAXES ON THE TRUST AND LOAN CONCERNS

Increased Levies Being Imposed By Various Provinces

Provincial taxes are a steadily increasing charge on banks, insurance companies and mortgage companies. and are being broadened in application until in some provinces all incorporated companies are included. The taxes in the various provinces on the loan companies and trust companies are outlined in the following summary:

LOAN COMPANIES

PRINCE EDWARD ISLAND:
The tax is $400.

NOVA SCOTIA:
(a) On the fixed or permanent paid up capital of the company employed in the Province 1-20 of 1%, and in addition 1-20 of 1% on the amount of money investigated by the company in Nova Scotia, with a minimum tax of $100.
(b) If a company has terminating or withdrawable capital, as well 120 of 1% on the terminating or withdrawable capital after the first $100,000 in addition to (a).
(c) If terminating or withdrawable only, 1-20 of 1% on the paid up terminating or withdrawable capital after the first $100,000, and 1-20 of 1% on amount of money invested in Nova Scotia.
(d) Every Loan Company receiving deposits or doing business of Savings Bank in addition shall pay a tax.
(Same as in Ontaro, see Section (d).

NEW BRUNSWICK:
The same tax as for Trust Companies, $250 maximum.

QUEBEC:
When the company has no fixed capital the tax is $100.
If there is fixed capital of $100,000 or less the tax is 1-10 of 1%.
If fixed capital exceeds $100,000 but not $200,000 the tax is $150.
If fixed capital exceeds $200,000 but not $300,000 tax is $200.
If fixed capital exceeds $300,000 but not $400,000 tax is $250.
If fixed capital exceeds $400,000 but not $500,000 tax is $300.
If fixed capital exceeds $500,000 tax is $400 and for every additional $1,000,000 or fraction thereof over $1,000,000 a tax of $50.
And in addition
If capital exceeds $100,000 for each place of business in Montreal or Quebec $100.
In every other place $50.
If fixed capital is $100,000 or less, or if there is no fixed capital, these additional taxes are $50 and $25 respectively.

ONTARIO:
(a) On fixed or permanent paid up capital 1-25 of 1%.
And on all monies invested in Ontario (excluding office premises and cash in bank) .... 1-25 of 1% with a minimum tax of $100.
(b) If there is terminating or withdrawable capital, also 1-25 of 1%.
On all such terminating or withdrawable capital over $100,000, in addition to tax under (a).
(c) If there is terminating or withdrawable capital only 1-25 of 1%.
On all after first $100,000 and in addition 1-25 of 1%.
Of all monies invested in Ontario in excess of $100,000, excluding as in (a).
(d) If company receives deposits or does business of Savings Bank, in addition a tax of
On each $100,000 of deposits or part thereof up to $1,000,000 $25.
On each $100,000 of deposits or over $1,000,000, but not over $2,000,000 $15.
On each $100,000 of deposits or over $2,000,000 $5.

MANITOBA:
On gross income within Province, ¾ of 1%.
With a minimum tax of
If paid up capital less than $50,000 $25.
If paid up capital is $50,000 but less than $100,000 $50.
If paid up capital is $100,000 or more $100.

SASKATCHEWAN:
For each $1,000 in investment in the Province a tax of 40c. with a minimum tax graded according to authorized capital, the same as in Manitoba.

ALBERTA: Under Revision.

BRITISH COLUMBIA:
The same tax as is levied on Trust Companies in this Province. Guarantee Companies are also taxed on this basis.

TRUST COMPANIES

The principles applied by the various provinces in the taxation of Trust Companies vary almost as greatly as those applied in the case of Banks.

PRINCE EDWARD ISLAND:
For each such company $400.

NOVA SCOTIA:
On the paid up capital employed in Nova Scotia up to $100,000 ¼ of 1%.
If such capital is more than $100,000, 1-10 of 1 per cent for every additonal $100,000 or fraction thereof, with a minimum tax of $200.
There is an additional tax on the gross annual income in Nova Scotia as follows:
If business transacted in Nova Scotia is not more than $50,000, 1%.
If business transacted in Nova Scotia is over $50,000 but not over $100,000 1½%.
If business transacted is in excess of $100,000, 2%.

NEW BRUNSWICK:
The tax is to be levied at the discretion of the Lieutenant-Governor-in-Council, but not to exceed $250.

QUEBEC:
On the paid up capital up to and including $1,000,000, 1-5 of 1%.
and for each additional $100,000 or fraction thereof, $25.
with an additional tax
For each place of business in Montreal or Quebec, $50.
and for each place of business in every other place, $20.

ONTARIO:
On the paid up capital up to $100,000 ¼ of 1 per cent.
and for each additional $100,000 or fraction thereof, $100.
With an additional tax of 1 per cent. on the gross annual income from business transacted with Ontario.

MANITOBA:
On the gross income received within the Province a tax of 2 per cent.
With a minimum of $100 if the paid up capital is $100,000 or less, and $175 if it exceeds that sum.
And in addition
On monies invested in trust, etc., 1 per cent on gross earnings therefrom unless tax has already been paid by the principals interested.

ALBERTA: Under revision.

BRITISH COLUMBIA:
For the principal office in the Province $3,000.
For each other branch or agency within the Province, $500.
This tax is in lieu of Provincial Income Tax.

DEBENTURE NOTES

Oshawa—The Town Council at a recent meeting passed a by-law authorizing the sale of $200,000 worth of debentures for building purposes. The money will be devoted to the erection of houses under the direction of the Oshawa Housing Commission.

REVENUE FROM LIQUOR SALE IS CONDEMNED

Taxation Expert Says It Violates the Canons of Good Taxation

From Our Own Correspondent.

MONTREAL.—Other provinces have looked with envious eyes upon the tremendous revenues the province of Quebec has received from its liquor sales. These have been sufficient to reduce considerably the provincial debt, to build many miles of good roads and to make large grants to educational institutions.

Now there comes, however, a statement from a student of taxation which suggests that, from financial reasons alone, this revenue may be obtained at too great a cost. W. G. Keirstead, of the University of New Brunswick, claims:

"Viewed as a purely fiscal measure, governmental distribution and sale of intoxicating liquors has little to commend it above the one fact that it does secure the revenue. A tax upon the consumption of a commodity of this character certainly does not generally fall where there is ability to pay, and cannot be just in its distribution or socially valuable in its results. It violates Smith's canon of taxation, to 'take out and keep out of the pockets of the people as little as possible over and above what it brings into the public treasury.' To obtain $3,000,000 of revenue, British Columbia or Quebec must sell liquors to the amount of $15,000,000, since provincial profits cannot exceed 20 per cent. of the gross sales price. Of the remaining 80 per cent., the greater portion goes to the federal government in excise or custom duties.

"Is it wise for a province to divert so large a portion of the incomes of its people from the ordinary industries to establish a public wholesale and retail liquor industry? Governmental sale must find its justification as an effective method of social regulation and control, as a means of obtaining law enforcement and promoting sobriety and public order. Does the incentive for gain in the distribution of intoxicating liquors act upon our hard-pressed provincial governments much as it did upon the private retailers of other days and defeat the ends of regulation and control? It would be unfortunate if provincial governments should turn for revenue to the sale of liquors and delay the adoption of adequate taxation and of effective methods of tax administration. Of course if the liquor traffic is legalized its taxation is justified as repressive in nature, and as the taxation of a luxury."

Intercolonial Coal Profits Are Lower

From Our Own Correspondent.

MONTREAL. — Somewhat smaller profits were earned by Intercolonial Coal Mining Company in 1922. The result of the year's operations was a net profit of $135,374 as compared with a profit of $160,621 in the previous year. The coal output was reduced by the dullness of trade in the first six months of the year.

The president, Charles Fergie, states that "while it is difficult to forecast in these years of instability and unsettled trade conditions generally, still the present outlook and prospects would indicate that this year our returns should be as favorable as for the past year."

Profit and loss statements for two years compare:

	1922	1921
Profits	$135,475	$160,621
Sink. fund & int. ..	10,502	11,714
Depr. & tax	40,589	45,732
Pref. divs.	15,253	15,253
Com. divs.	40,000	40,000
Year's surp.	$ 29,131	$ 47,922

Tenders and By-Laws

TENDERS WANTED

March 15, Cobourg—$181,000, 5½%, 20-year bonds. A. W. Young, Acting Treasurer. (See announcement on page 16).

March 25, Township of Teck.—$50,000 6%, 15-instal. debentures. Malcolm Campbell, Treasurer, Twp. of Teck, Kirkland Lake. (See announcement on page 16).

March 15, Hensall, Ont.—$30,000, 5½ per cent., 10-year debentures. C. Cook, Treasurer.

March 19, Kenogami, Que.—$100,000, 6%, 25-instal. debentures. A. Roche, Sec.-Treasurer.

March 15, Trenton, Ont.—$300,000, 5½%, 20-instal. debentures. W. J. Potts, Treasurer.

March 12, Vancouver.—$275,000, 5½% 15 and 40-yr. debentures. A. J. Pilkington, City Comptroller.

Mar. 12, Windsor—$760,230, 5½%, 10 and 30 instal. debentures. M. A. Dickinson, Clerk. (See announcement on page 16).

BY-LAWS TO BE VOTED ON

March 20, Peterborough.—$75,000 for electric light purposes.

March 21, Chatham—$15,000 for construction of memorial monument.

SASKATCHEWAN

List of authorizations granted by local government board from February 10 to February 24, 1923.

Schools. — Assiniboia,. $15,000; New Deloraino, $3,000; Lawson Village, $4,600; Wheaton, $3,000; Bruce, $4,300.

Telephones—Rainton, $600; McDonald Hills, $1,600.

Town of Hanley, $3,500.

List of debentures reported sold from February 10 to February 24, 1923.

Hewson, $2,000, 10-years, 7%, H. Richard, Gorkondon; Konsington Lake, $600, 5-years, 7%, Rosetown Sinking Fund.

Telephones.—Battlevale, $275, 15-yrs., 8%, Mrs M. Taylor, Waseca.

Town.—Radison, $3,000, 10-years, 7%. H. J. Birkett, Toronto; Qu-Appelle, $750, 10-years, Miss E. Fesant, Qu'-Appelle.

NEW FINANCING CLEARS AIR FOR 'PEG ELECTRIC

Franchise Negotiations to Be Dropped for Time Being

From Our Own Correspondent.

WINNIPEG.—The Winnipeg Electric Railway Company's latest financing, with its $3,250,000 bond issue and its simultaneous abandonment of the franchise extension request is chiefly significant because it definitely removes the problem from civic politics. Vice-President McLimont has made it clear that the current revenues are insufficient to permit the company's adherence to last year's promises to the city council of a lower fares' schedule.

Withdrawing the company's application for the ten year franchise extension Vice-President McLimont states that because of "continuous opposition to the franchise negotiations by certain members of the city council and from influential quarters elsewhere" and for other stated reasons the company's Eastern bankers were reluctant to provide the funds for the implementing of the agreement.

Presumably the company's current borrowings will place the utility in a comfortable position for 1923 and it is possible that another year, given a change in the complexion of the city fathers, the situation may become more favorable for the franchise extension proposal. Mr. McLimont explains:

"The bankers take the position that the very determined and continuous opposition to the franchise negotiations by certain members of the city council and from influential quarters elsewhere, is very detrimental to the company's financial standing and credit, and, on account of the long delay that has already taken place in negotiations, the uncertainty as to when the matter will be ended and what the final outcome will be, and the general conditions now prevailing in Winnipeg, the bankers feel very reluctant to consider any arrangement which would require them to provide for the large financial obligations involved and which would be necessary to carry out the program outlined in the draft agreement now before council, and advise us to temporarily suspend negotiations.

"Another matter strongly influencing the bankers is the financial showing made by the railway department of the company for 1922, which was very disappointing. Conditions are not improving up to date this year, and it would be impossible, in the face of these conditions, to justify putting into effect the fares proposed in the agreement.

"Under all these circumstances we feel that the only proper action to take is to suspend negotiations for the time being.

"After considering all phases of the situation, the bankers intimated to me that they were prepared to consider providing us with sufficient money to meet our immediate and pressing obligations, and we now have negotiations pending with that end in view. When these are concluded, we expect to take up the matter of our indebtedness to the city. (Mayor Farmer recently stated that of tax arrears totalling $5,190,108, the Street Railway owes Winnipeg $778,643 or 15 per cent. of the aggregate arrears).

"Permit me to express the hope that the policy of negotiation and conciliation agreed to between the company and the city in the late Mayor Parnell's time may be continued and that any question that arises between the parties should, if possible, be settled in that way. I shall be glad to meet the council at all times in a spirit of co-operation and in an endeavor to meet all questions arising fairly and properly."

EXPENSES ARE CUT IN SASKATCHEWAN

Premier Dunning Shows Courage Despite Demands for Paternalistic Grants

From Our Own Correspondent.

REGINA. — Announcement by Premier Dunning that provincial expenditures for the year, April 30, 1923, to May 1, 1924, will be approximately $1,250,000 less than during the previous provincial fiscal period, is welcome news to the taxpayers. The reduction involves a cut of $500,000 in current expense and $750,000 in capital outlay, practically ten per cent. of the government's annual expenditure.

This application of the knife to public expense shows considerable courage. No matter how earnest the desire of a Saskatchewan government to economize, the persistent demands for additional assistance which come from the organized farmers of the province, will always prove an obstacle. In the legislature there is a fairly strong opposition of members directly representing various of the agrarian co-operative concerns, notably the grain growers; in fact, the leader of the opposition is the president of the growers, Hon. J. A. Maharg.

With farmer governments in the saddle, Manitoba and Alberta both show large deficits for the year just closed. For the fiscal year which terminates April 30, Saskatchewan is expected to show a balance between estimated revenue and expense, or a slight surplus.

Mar. 12, Vancouver—$275,000, 5½%, 15 and 40 year debentures. A. J. Pilkington, City Comptroller. (See announcement elsewhere in this issue).

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Sales in 1922 increased over 47 per cent. and earnings over 72 per cent.

Dividends paid regularly on preferred shares, and common now paying $1.00 per year.

Chain stores have proven an exceptionally profitable investment, and we strongly recommend these securities.

A special circular we have prepared will be mailed upon request.

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WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place	Sold to	Rate	Term	Amount	Price	Basis
Mar. 1	New Toronto	Murray & Company	6 %	15 & 20 ins.	$49,000	101.29	5.83
Mar. 5	Hull, Que.	C. H. Burgess & Co.	5½%	40 yr.	59,000	100.32	...
Mar. 1	Victoria, B.C.	Pemberton & Son.	5½%	30 yr.	30.000	98	5.60
Feb. 24	Sask. Schools, etc.	....			4,625		
		CORPORATION					
Mar. 1	Continental Paper Products ..	Royal Securities Corp.	6½%	20-yr.	750,000	99	6.55

BRITISH COLONIAL FIRE INSURANCE COMPANY
MONTREAL
Canadian—Strong—Progressive
General Fire Insurance Business Transacted
Theodore Meunier, Manager

The Leading Life Company of the Dominion
Assurances in Force - $630,000,000
Assets - - - $170,000,000
SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE - MONTREAL

1922 RECORD YEAR FOR THE MUTUAL OF CANADA 1922
Favorable mortality, decreased expense rate, and a high interest rate on investments combined last year to produce surplus earnings of
$3,040,273.98
A result unprecedented. After providing for all liabilities on a reserve basis higher than called for by the statutes and after putting aside a special investment reserve of $611,776.34, there remains a general surplus fund of
$6,603,718.60
Every dollar of which is the property of the policyholders and will be used for their exclusive benefit.
Assets $53,605,630. December 31st, 1922. Assurances $246,486,654.
THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
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The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$78,000,000.00
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Our "Square Deal" Contract will appeal to you with compelling force—**one contract only—no middlemen**—new and saleable "Coupon Savings" Policies. For particulars of the "Square Deal" Contract and available Territory, communicate with the Managing Director.
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THE NORTH EMPIRE FIRE INSURANCE COMPANY
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Eastern Canada Office: Toronto
Policies Guaranteed by
London Guarantee and Accident Co.
Limited
Applications for Agencies Invited

CPTCo
Every Man Intends to Make a Will
But when one feels fit and eager for the day's work, can make the ninth hole in four, and help carry a canoe around a three-mile portage—it's hard to contemplate the idea of a WILL with any seriousness.
That is why so many men die without making any will.
That is why so many a comfortable little fortune is wasted in legal tangles.
That is why so much property gets into hands for which it was never intended.
Every man has rather decided views about the disposition of the wealth that he has created and saved. And he can enforce his wishes by a carefully drawn will and a wise choice of an executor. He ca.. choose no executor who will administer his estate more prudently and faithfully than—
The Canada Permanent Trust Company
Put your intention into effect to-day, and name as your executor
THE CANADA PERMANENT TRUST CO
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INSURANCE FOR BUYER AND SELLER

GOVERNMENT TO PROVIDE ITS OWN RAIL INSURANCE

Big Losses at Montreal and Ottawa Should Be Remembered

A decision to discontinue insuring the property of the National System and the Canadian Government Merchant Marine in private companies, has been reached at Ottawa. This action opens up the old question as to whether a large corporation with properties extended over much territory can effectively finance its own insurance.

The risks involved total over $400,000,000 with an annual premium of approximately $4,000,000. While the total is large the risks are widely scattered, precluding to some extent the possibility of a single fire wiping out any considerable portion of the properties. Consequently those behind the plan believe a saving of a million dollars a year will be effected. It is intended to establish a reserve in the nature of a sinking fund with the money formerly paid in insurance premiums, to take care of present and future losses.

Insurance men point out that the plan is fraught with certain dangers when at centres such as Fort William, Montreal or Portland, Me., there are large properties, some of which involve more than ordinary hazards. In such places there is a constant danger of a large fire. To meet this danger, part of the property located in these centres might be insured, at least until such time as the reserve has assumed large proportions.

The experience of some corporations which have attempted to carry their insurance has not been an enviable one. The Dominion government for instance, experienced a heavy loss in the fire which destroyed the parliament buildings. For a number of years the city of Montreal set aside a sum of money in a sinking fund to provide for fire loss. While the losses remained normal, the plan worked admirably, but when the City Hall burned the city found itself facing a loss of several million dollars with only a few thousands in the sinking fund. This condition gave rise to much dissatisfaction and severe criticisms of those responsible for the policy.

The position of the Canadian Government Merchant Marine is somewhat different to that of the National lines. For some years before the war a number of British companies with large fleets carried their own insurance successfully. On the other hand, the United States Steel Corporation, while carrying its risks on inland property, has deemed it advisable to insure its fleet. While there is not the same danger from concentration in the case of the fleet, there is still the possibility of a severe storm resulting in the loss of several vessels.

One beneficial result which should be derived from the plan is an increase in preventative measures—the user of posters, warnings to employees and other measures designed to reduce the hazards.

The financial aspects of the plan will come under the direction of the vice-president in charge of finance, Major Graham A. Bell, while the plan generally will be administered from Montreal by W. D. Robb.

The Dangers of Railroading

When M. J. Haney and John M. Egan were working together constructing certain Western sections of the C.P.R., they had a peculiar method of observation which entailed Mr. Egan's sitting on the pilot of the engine—in other words, the cowcatcher—and Mr. Haney sitting on the very rear of the train. They would look out fore and aft so to speak. Communication was carried on by notes sent by one of the train hands.

On one of these days Mr. Egan, now of the Chicago and Great Western, was sitting on the pilot with his slouch hat pulled down over one side of his face as was his practice. The construction train pulled into a station and along came the station master to address a few remarks to this man sitting on the pilot of the engine.

"You can't sit there," said the station master. "Get off, you great big tramp."

No reply came from Mr. Egan.

"If you aren't off there by the time I come back," said the station master, "I'll throw you off."

Still no reply came from Mr. Egan, but a look from under his slouch hat.

Back to the rear of the train walked the station master, and in the course of his remarks to those in the car, he said:

"Yo've got a big tramp sitting up there on the pilot. I told him to get off though."

"Do you know who that tramp is?" said one of the men.

"No, and I don't care," said the station master. "He'll be off when I get back, or I'll throw him off."

"Do," said Mr. Haney. "That tramp," said another, "is John Egan."

"Oh," said the station master, "that's different."

SPECIAL LOAN OFFICE

A special office to consider and make loans on real estate in Waterloo county has been opened by the Mutual Life of Canada. In this way the company hopes to place considerable money on mortgages in the vicinity of its head office. Julian H. Roos, for many years treasurer of the company, has retired from that position on pension and will have charge of the new office.

Big Increase in Assets of Aetna Life Company

The 73rd annual statement of the Aetna Life Insurance Company of Hartford, Conn., shows an increase of assets from $191,718,046 in 1921, to $207,041,779. These are composed chiefly of mortgages on real estate, and stocks and bonds, the former totalling $84,110,389, a gain of $12,047,327 over 1921 and the latter $78,131,350, an increase of $22,692,517 for the year. The rates which can be secured on high-grade stocks and bonds, although lower than those of 1921, are still comparatively high. Consequently they have attracted a large share of the funds available for investment.

Policy loans have increased by $2,011,185 during the year to $19,519,533, which is not considered high in view of present industrial conditions. The surplus to policyholders, including capital, totalled $25,225,223, a gain of approximately three millions for the year.

BIG FIRE LOSS WAS SUFFERED DURING THE YEAR

Ratio of Insurance Paid to Premiums Was Very High

That the year 1922 was not a bright one for the fire insurance companies is indicated by information coming from the Dominion department of insurance at Ottawa. The ratio of losses incurred to premiums written rose to 68.64 per cent., the highest since 1904, when it reached 107.06 per cent., due largely to the big Toronto fire of that year. Before 1900 the ratio fluctuated widely from approximately 39 to 93.31 in that year. Since 1908 the losses have been exceptionally stable, maintaining the ratio between 53 and 55 per cent. until 1919 when it dropped to 41.67 per cent. In 1920 it rose slightly to 43.41 and in 1921 a further rise to 58.28 took place, this being slightly above the average of 57.05 for the last fifty years.

The premiums written by all companies totalled $47,450,860 as compared with $47,312,564 in 1921. Whereas the amount written in 1921 showed a decrease of $3,215,373 from the total in 1920, a slight increase occurred in 1922. This was caused by the great volume of building carried on and the slower rate at which values were being written down, this process having been largely completed in 1921. The volume of losses presents a different situation. These amounted to $32,565,816 in 1922 as compared with $27,572,560 in 1921 and $21,935,387 in 1920.

The highest loss ratio, 71.48 per cent., occurred in the business of the British companies, which wrote premiums for $23,662,111 and incurred losses of $16,914,634. It is commonly known that these companies carry larger lines. Their statements bear this out, as they show a smaller proportion of premiums paid out for reinsurance. Consequently in a year when losses are abnormally high they are specially reflected in the business of these companies. The ratio in 1922 for the Canadian companies was 68.80 per cent., the premiums written being $6,872,483 and losses totalling $4,687,031, while in the case of the foreign companies the ratio was only 64.81 per cent., the business written $16,916,266 and losses $10,964,151.

Most insurance men attribute the high losses to poor business conditions of 1921 which have improved only to a limited extent during the year. They make it quite clear, however, that there is not so much the hazard of incendiarism, but rather a desire on the part of insurers to economize, resulting in the dismissal of as many watchmen, cleaners, etc., as possible and many buildings being vacated. Such conditions invariably increase the fire hazard.

Estate of H. C. Frick appraised at $92,953,552, of which only $20,932,905 is taxable in New York. Art collection valued at $13,132,391 is exempt, as public bequest. Net estate $82,958,726 and total legacies $58,999,975, leaving residuary of $23,958,726. Federal and state taxes will be about $10,000,000.

MUNICIPAL HAIL COMPANY HAD A SUCCESSFUL YEAR

Over a Million Dollars Now Available to Meet Claims

From Our Own Correspondent.

REGINA.—With a surplus of $773,251 on operations during 1922, the Saskatchewan Municipal Hail Insurance Association reflects the generally favorable conditions which attended the business of hail insurance during the year; 1922 was, in fact, one of the lightest years in respect to hail damage ever experienced by the West. In making comparisons in this regard it must be borne in mind that for ten or more seasons the area of prairie soil under crop is much greater and consequently offers a larger target for hail visitations.

As its name indicates, the Municipal Hail Insurance Association is an organization participated in by the municipalities, assessments from which are accepted by the association as the basis of insurable areas. The insurance scheme of the association is optional and may be taken up or rejected by the municipalities of the province at will. If a municipality decides to take advantage of the association's facilities, it gives undertaking to that effect and supplies the association with particulars of area under crop, the class and owners of same. The association bases its rate upon the actual losses sustained on all insurable areas during any one season. In this way, farmers insuring against hail visitations, actually pool their risks.

The Municipal Hail Insurance Association experienced a somewhat disastrous year in 1921. In order to provide the lowest possible assessment against participants in the scheme it was found necessary to draw upon its surplus, leaving a balance in reserve of $313,383. This year, favorable financial returns have enabled rehabilitation of the reserve and no less than a million dollars now represents the fund set aside to insure the payment of claims.

The assets of the association as at January 31, 1923, show a total of $1,120,268, made up as follows: Total arrears of assessments, penalties, etc., due the association from various rural municipalities, $538,887; farm loan debentures, government of Saskatchewan, $500,000; Victory loan bonds, $71,500; Province of Saskatchewan debentures, $2,433.

Liabilities are shown as: Awards unpaid, 1918-22, $2,309.17; unclaimed cheques, $1,814.56; claims reserve fund, $1,000,000; tax adjustment reserve fund, $53,888.72; balance from revenue appropriation account, $62,255.57.

Receipts for the year ending January 31, 1923, amounted to $1,322,395.40, made up of: Cash on hand, $250.42; total taxes, penalties, etc., received, $1,245,534.98; interest on farm loan debentures, $15,000; rentals, $100; inspection fees retained, $10; loans from bank, $61,500.

An overdraft of $72,117.29 at the bank was shown at February 1, 1922; total awards paid for 1922 and deferred payments for previous years amounted to $345,132.31.

A Big Year in the Chain Store Business

F. W. Woolworth Co. had a remarkable year in 1922. Sales and profits were largest on record; preferred stock was called for cancellation; "good will" was reduced $20,000,000 by draft on accumulated surplus while $10 a share paid on common was the largest ever paid.

Result for 1922 was another proof that chain store merchandising with its rapid turnover for cash is profitable. Best illustration is Woolworth's 1922 sales of $167,319,265 with accounts payable of but $659,134 and no bank loans.

Britain renews efforts to collect several million gold pesos from Argentina on debt of 50,000,000 gold pesos, which was paid at par of exchange instead of current exchange, then heavily against South American government.

Unable to Change Life Policy in Favor of His Young Bride

Some time ago a young accountant in the city of Hull, Que., applied to a well-known life insurance company for a policy on his life. Being unmarried, and his mother having died some years before, he followed the advice of the agent and appointed his father the sole beneficiary under the policy.

Recently the insured married. He telephoned the agent telling him of his changed circumstances and his desire to have his wife made beneficiary under the policy, replacing his father. The latter had regarded the insurance as a compensation for considerable money spent on his son's education. Voicing his disapproval of his son's marriage at an early age, he refused to agree to a change of beneficiary. To his surprise the young man found himself unable to appoint his wife beneficiary and without the means to carry additional insurance for her protection.

The incident gives rise to some reflections on aspects of life insurance commonly overlooked by men anticipating the purchase of life insurance. Beneficiaries are generally divided into two classes—preferred and ordinary. The former includes the husband, wife, children, grand-children and mother of the insured in all Canadian provinces except New Brunswick, Quebec, Manitoba and British Columbia. In New Brunswick the father, brothers, and sisters are added, whereas in Manitoba and British Columbia the grand-children and mother are excluded. In Quebec if the insured is a man preferred beneficiaries include his wife, her children and his children; if a woman, her children. All others are ordinary beneficiaries.

Ordinarily when the beneficiary is of the ordinary class, the insured may make any change he desires at will. However, this is not so in the provinces of Quebec and British Columbia. The ordinary beneficiary's consent must be obtained before a change of beneficiary can be made. Hence the unavoidable difficulty in which the young man from Hull referred to, finds himself.

It is another warning to those contemplating insurance to secure adequate information about their policy and should impress on the agents the increasing importance of showing the regulations governing life insurance in their respective localities.

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HEAD OFFICE
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Branches throughout Canada and in London, Eng.

C. P. R. Net Profits Growing Each Month

From Our Own Correspondent.

MONTREAL.—The January net earnings of C. P. R. were the best since January, 1919. With regularity for the past six months the line has been able to show net earnings larger than in the corresponding month of the previous year. Gross earnings always keep up fairly well in January but operating expenses are invariably at a high level. This year gross earnings were much higher than in January, 1922, but the severe winter has increased operating costs. The result is that only a portion of the enlarged gross earnings is shown in the net earnings. Comparisons follow:

	January Earnings 1923	1922
Gross	$13,148,914	$11,337,974
Work Exp.	12,428,887	10,854,497
Net profits	$ 720,026	$ 483,477

January	Net
1923	$ 720,026
1922	483,477
1921	641,424
1920	585,941
1919	1,553,512

TWIN CITY

Twin City Rapid Transit Company reports improvement in both gross and net operating income for the month of January as compared with January, 1922:

	Jan. 1923	Jan. 1922
Total railway operat. inc.	$1,234,698.72	$1,207,607.64
Total rail. op. exp. & taxes	983,020.27	998,070.87
Oper. Inc.	$ 251,678.45	$ 209,536.77
T. non-op. in.	1,990.57	3,765.48
Gross inc.	253,669.02	213,302.25
Int. on funded debt, etc.	93,925.16	94,064.46
Net income	$159,743.86	$119,237.79

SECURITY BEHIND ALTA. MORTGAGE LOANS QUESTIONED

Present Laws May Leave Province Bereft of Funds

COMPLAINTS MANY

Federal, Provincial and Municipal Acts Have all Tended to Discourage First Mortgage Loans

The lot of mortgage funds in Western Canada is seemingly a hard one. Crop failures have made for a piling up of accrued interest, but perhaps the most discouraging of all, to the money lenders, has been the governmental policies, federal and provincial, and municipal law, which have relegated first mortgages into second place to liens for seed grain. In other words, the tendency has been to interfere with the standing of the first mortgage. The result has been that the flow of cash has been checked, especially in Alberta where the situation, due to legislative interference, has been most serious. In this province there has been a serious withdrawal of funds. Sharp practice by municipalities has not helped and it may not be long before that province is in a serious way for funds.

G. H. Gowan, of Credit Foncier, and F. A. Beddard, Huron and Erie, recently laid the case of the money lender before the Board of Trade of Edmonton, urging drastic changes in the present mortgage laws of that province.

The first trouble arose in 1915 when Saskatchewan and Alberta received seed grain from the federal government. As security the government took a lien on all lands and crops as well. What has been termed "this drastic and unfair act" was the first move to depreciate the value of the first mortgage. Another unfair act, which only a government could enact, was in the case where a homesteader secured grain for his homestead and pre-emption. If he gave up, the mortgage company in foreclosing, not only had to meet the seed grain bill for the homestead, but also for the pre-emption or government land as well.

The crop failures of recent years, however, have brought out the full significance of the hampering legislotion which surrounds the first mortgage. It was only when attempts were made to employ the remedies available to protect mortgage investments, that it was found out just to what extent restrictive legislation has hampered the safety of such investments, until today their safety is open to question.

The following is a list of the priorities on land, ranking ahead of first mortgages:

Dominion seed, grain and fodder liens 1915.

Taxes, municipal, supplementary revenue, drainage, noxious weeds, hail insurance, school, hospital, telephone, wild land.

Cow bill.

The following is a list of the priorities on crops, ranking ahead of first mortgages:

Taxes.
Dominion seed and fodder liens, 1915.
Provincial seed liens.
Municipal seed liens.
Liens under Alberta Co-operative Credit Act.

Municipalities, taking advantage of the seed grain liens, have not been slow to take advantage of the legislation and not a little abuse, if not sharp practice, has resulted. Municipalities in many cases must accept also the responsibility for forcing the foreclosure on many homesteaders. Where there have been seed grain liens, in many cases equal to the value of the mortgage, the municipalities have forced payment with the result that for protection the money lenders have been obliged to foreclose. The regrettable feature is that municipalities have come to the point where they have been disregarding taxes altogether and applying the full amount collected to seed grain payments. The reason for this is easily seen. Taxes come ahead of a mortgage in a title but seed grain liens do not. The mortgage would, therefore, be bound to pay the taxes to protect the security. There is no such obligation in regard seed grain.

WEIRD FINANCING CAUSED COLLAPSE WINNIPEG BANKS

(Continued from Page 3)

its western boundary should extend to Montreal. Now the government could hardly have allowed itself to be thus put up against it by the Conservatives.

It is quite possible that Sir Henry Thornton took notice of Mr. Fielding's recent remarks in the House to the effect that if the views of the public on matters of policy were not respected by the National Railway Board, the public would brush that body aside and go straight to the government. That is what would have happened in the case of the Maritime Provinces and Mr. Fielding knew it quite well.

Another evidence of the desire of those in politics to influence the policy of the National system is to be seen in the notice of a resolution to be moved by T. G. McBride, Progressive member for Cariboo, as follows: "Inasmuch as pensions are now payable to engineers and conductors of the National Railways, the same privilege should be extended to the maintenance of way employees and shop laborers of the system."

Ore receipts at Trail Smelter for the second week of February amounted to 8,096 tons, while for the year to date the receipts total 53,338 tons.

Province's Building Program is Heavy

Quite a little building activity will be created in the various provinces by the carrying out of the work authorized by the present legislative sessions. In Ontario the list is headed by $2,730,695 for education, including grants of $400,000 to the Western University for buildings; Queen's University, $210,000; Queen's University Library, $75,000; University of Toronto, $880,000; College of Education buildings, Toronto, $100,000. Maintenance of public buildings calls for the spending of $211,972. New construction on the hospitals at Orillia, Whitby and Woodstock has been covered by grants of $125,000, $100,000 and $120,000 respectively. Under the head of "capital expenditure by the Hydro-Electric Power Commission," the supplementary estimates carry items totaling $9,850,000 for expansion of the Niagara system.

FRONTENAC EARNS 8.7 P.C. ON COMMON

After Payment of Regular Preferred Dividends and One Extra Quarterly

From Our Own Correspondent.

MONTREAL.—Brewing is still a profitable business, despite taxation, price cutting and other similar factors, the report of Frontenac Breweries indicates. Operating profit for the year 1922 shows an increase from $231,196 to $264,965 and as deductions were much smaller a substantial rate was earned on the common. Five preferred dividends were paid totalling 8¾ per cent., which left 8.7 per cent. earned on common.

The profit and loss figures for three years past have compared as follows:

	1922	1921	9120
Profits	$264,965	$231,196	$328,147
Interest	71,674	94,586	85,882
Balance	$193,291	$136,610	$242,265
Deprec.	87,868	86,942	81,053
Net profit.	$105,423	$ 49,668	$161,212
pfd. divs.	26,250		
Balance	$ 79,173	$ 49,668	$161,212
To reserves	2,131	22,729	10,000
Balance	$ 77,042	$ 26,939	$151,212
*Prev. bal.	223,178	217,330	81,478
P. & L. bal.	$300,220	$244,269	$252,690

* After adjustment for taxes, etc.

Working capital has shown steady increase as this table indicates:

	1922	1921	1920
Cur. assets	$597,106	$485,734	$486,882
Cur. liabs.	134,115	231,356	446,056
Work. cap.	$462,991	$254,378	$ 40,826

LA ROSE PRODUCTION HIGH; PROFITS DOWN

New Shaft Down to 240 Feet at the End of January, Manager Reports

From Our Own Correspondent.

MONTREAL.—The 10 per cent. dividend declared by La Rose will take more than the net profits for 1922, but the management states that it has sufficient confidence in the future to warrant this step. In 1922 profits were $44,078 as compared with $49,246 in 1921.

More Production

There was an increase from $179,610 to $322,945. Some of the difference in net profits is accounted for by loss of interest upon the $150,000 of dividends paid out during the year to shareholders.

Profit and loss figures for two years have compared as follows:

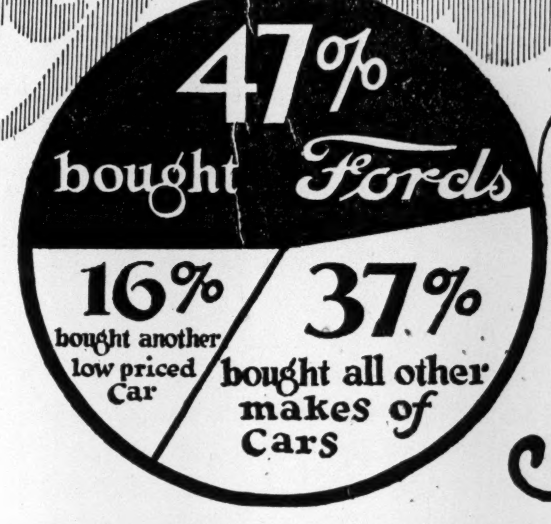
	1922	1921
Ore production	$322,945	$179,610
Expenses	302,066	162,490
	$ 20,879	$17,119
Add interest and rents	23,199	32,127
Net profits	$ 44,078	$ 49,246

The general manager's report states that 469,146 ounces of silver was produced during the year. It is stated that the new shaft made necessary by the decision in the O'Brien case was down 240 feet at the end of January.

Sask. Creamery Produced 1,570,000 Lbs. of Butter

Saskatchewan's butter production made an excellent record in 1922 when 10 per cent. of the total was graded "special" and 68 per cent. "first." This interesting fact came out at the meeting of the Saskatchewan Creamery Co. at Regina, which company in the year turned out 1,570,000 pounds of butter at its various plants. The company's output graded 17 per cent. special, 72 per cent. special, or 89 per cent. of the total in the first two grades. The company also produced 32 per cent. of the ice cream of the province. Dairy Commissioner P. A. Reid stated that the Saskatchewan Creamery was the second oldest in the province, opening in 1910 when the butter production of the province was 15,000 pounds. He declared that he wished to emphasize the fact that the dairy industry in this province had ceased to be a sideline, and was an industry of first line importance. The man on the farm who, perhaps, scorned to milk a cow, should realize the part he was playing in building up a great industry. J. A. Caulder, general manager of the company, has been elected president of the Saskatchewan Dairy Association for 1923.

Statistics of U. S. Census Bureau place value of confections and ice cream manufactured in 1921 at more than $500,000,000. Manufacture of ice cream increased 281% in seven years with total value of $213,262,000 in 1921, while manufacture of confections increased 104% to $313,998,000.



The Value of Good Judgment—

ORDER NOW AND MAKE CERTAIN YOU GET A CAR AT THESE PRICES

Runabout $405
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Coupe $695
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Chassis $345
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YOU are considering the purchase of a Car.
You are not quite sure of your judgment.
You desire to know what the judgment of other car buyers has been.
It has been the well-ordered and considered judgment of forty-seven car buyers out of every hundred who have bought cars to buy a Ford Car.
Of the remaining fifty-three, the highest number who purchased any one make of car was sixteen.
Forty-seven people will average among them better judgment than sixteen.
And it was the well-ordered and considered judgment of these people to buy Ford Cars. These people were scattered from Halifax to Vancouver—with the average transportation needs to solve for themselves and their goods.
They bought Ford Cars.
Their judgment was based on—

Lowest Initial Cost.
Lowest Upkeep Cost.
Lowest Prices for Repair Parts.
Ability to obtain parts readily and anywhere.
Ability to obtain service at any one of 3,000 Service Stations—in a straight line from Halifax to Vancouver these Service Stations would be only one mile apart.
The knowledge that the price of car, the repair parts and service labor is standardized to the lowest possible point.

The well-ordered and considered judgment of forty-seven purchasers out of every hundred purchasers of cars to buy a Ford Car should be the determining factor on your part to buy a Ford Car.
The Price of the Touring Car is $445—freight and Government Taxes extra.
And it can be bought on a monthly payment plan.

FORD MOTOR COMPANY OF CANADA, LIMITED, FORD, ONTARIO. 2320

PUBLIC OPINION DOMINATING THE NATIONAL LINES

(Continued from Page 8)

revealed as a liquor enterprise. In fact, it is alleged that the recent seizure near Fort Francis, Ont., of carloads of liquor valued at $30,000 put the crown upon Schiminowski's trouble, not only largely influencing the assignment of the Dominion Ticket and Financial Corporation but bringing about the crash of associated concerns. President Schiminowski has stated that United Shippers Limited is an enterprise entirely within the law. As far as can be learned this company is yet in business. The firm of R. M. Frankfurter & Sons, druggists, Winnipeg, however, has assigned. R. M. Frankfurter was president of the United Shippers Limited. "We have information which would lead us to believe that the United Shippers have assets on hand which, if they can be properly controlled and disposed of, would be sufficient to pay a great part, if not the whole, of its indebtedness," is the opinion expressed by the official trustees in regard to the company's $45,000 discount. In this connection the Winnipeg Tribune says: "The stock on hand in the possession of the United Shippers Limited consists of 50 hundred-gallon drums of alcohol, a total of 5,000 gallons, which it was the custom of the company to ship to points in the United States. Unless it can be bootlegged, its normal value is $1 per gallon, but if bootlegged its value can be enhanced to about $40 per gallon, according to people familiar with the underground traffic."

The trustees' report shows an item of $443,964 being local bills discounted, of which approximately $100,000 matures during the next three months. The remaining portion includes an item of $95,000 which it is stated appeared originally in the foreign currency account, subsequently being transferred to local bills discount and is now represented by the note for that amount signed "Foreign Currency (dormant account) A. F. Schiminowski, president." Further, $40,000 originally in the foreign bond account is shown subsequently to have been transferred to local bills discounted and is now represented by a note for that amount signed "Foreign Bond (dormant account) A. F. Schiminowski, president." In connection with these two items, the trustees have found in the vaults of the "bank" the additional foreign currency and bonds, 1,820,000 German marks, 748,105 Russian rubles (pre-war issue), 286,500 Austrian kronen, 170,000 Polish marks and 32,115 Russian rubles in cheques. Asked at the creditors' meeting if these assets were now worth more than $200, Schiminowski replied that it was extremely hard to place a valuation on them and for that reason they had been placed in what was termed a dormant account. Some of these investments had been made at the time of the Russian revolution, he said, and the agency was waiting now for a time when the Russian government would be able to redeem its currency at the proper figure.

The trustees' statement also shows a note given by A. F. Schiminowski on January 4, 1923, maturing on January 1, 1924, for $$40,000 with interest at 6% per annum. This the trustees state is a renewal of three former notes amounting to $38,378. There is another note given by A. F. Schiminowski on January 10, 1923, due on January 1, 1924, for $6,000, his account being credited with a net amount of $5,640, this note apparently covering overdraft then outstanding. A. F. Schiminowski's account now shows a credit balance of $2,468 as partial security for his personal indebtedness of $46,000 covered by the above notes. Schiminowski has hypothecated his own shares in the company, amounting to $28,000.

BUILDING PROMISES ACTIVITY IN SPRING

Proposed Work Brought Out in February Indicates This

Facing spring, many concerns and individuals face the problem of deciding whether to go on with a proposed building or await a possible decline in prices.

Indications are that the price cut has reached the bottom and those desiring to go ahead with construction may do so without fear of loss through the shrinkage of existing values incidental to rapid price deflation. Labor has settled down to a sound basis of production and the flow of money into building channels is rapidly increasing. Many of the big projects under way have been undertaken only after the investor has come to realize that the major conditions in the building field now are favorable. There is much wisdom in the advice being given at the present juncture by architects to their prospective clients—"Build now and avoid the rush."

Pronounced activity in the coming season is forecast by the February figures of contemplated new work reported by MacLean Building Reports, Limited. The value of proposed work reported for the first time in February was $41,231,000 compared with $36,714,600 in January. These figures serve as a basis for accurate judging the value of contracts to be let a few months hence.

During February, construction contracts actually awarded in Canada amounted to $13,311,800, compared with $10,718,300 in February, 1922. Residential building accounted for 21.4% of the February total and amounted to $2,854,000. Business building amounted to $6,363,000 or 47.9%; industrial building $2,997,500 or 22.5%; public works and utilities $1,096,500 or 8.2%.

LONDON JOINT CITY & MIDLAND BANK LIMITED

CHAIRMAN:
The Right Hon. R. McKENNA

JOINT MANAGING DIRECTORS:
FREDERICK HYDE EDGAR W. WOOLLEY

December 31st, 1922

	£
Authorised Capital	£45,200,000
Subscribed Capital	38,117,103
LIABILITIES	£
Paid-up Capital	10,860,852
Reserve Fund	10,860,852
Current, Deposit & other Accounts (including Profit Balance)	355,928,411
Acceptances & Engagements	25,862,341
ASSETS	
Coin, Notes & Balances with Bank of England	54,254,534
Balances with, & Cheques in course of Collection on other Banks in Great Britain & Ireland	13,548,935
Money at Call & Short Notice	17,187,013
Investments	55,454,831
Bills Discounted	46,066,631
Advances	182,307,521
Liabilities of Customers for Acceptances & Engagements	25,862,341
Bank Premises	5,270,960
Shares of Belfast Banking Co. Ltd. & The Clydesdale Bank Ltd.	3,259,690
Shares of The London City & Midland Executor & Trustee Co. Ltd.	300,000

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AFFILIATED BANKS:
BELFAST BANKING COMPANY LIMITED
OVER 110 OFFICES IN IRELAND
THE CLYDESDALE BANK LIMITED
OVER 180 OFFICES IN SCOTLAND

ALABAMA TRACTION

Reports earnings of its Alabama subsidiaries for the month of January as follows:

	1923	Increase
Gross income	$ 532,145	$ 104,884
Oper. exp. & taxes	302,805	95,434
Net	$ 229,340	$ 9,450

For Twelve Months Ending Jan. 31

	1923	Increase
Gross Income	$5,850,205	$1,275,867
Op. exp. & tax.	3,090,033	894,948
Net	$2,760,172	$ 380,919

PROBLEM OF FUEL SUPPLY SERIOUS; LOOKING AHEAD

Engineers Point to Ways of Better Utilizing Existing Resources

ANTHRACITE GOING

Ontario and Quebec Must Look Ahead to Time When No More Coal Will Come From U.S.A.

From Our Own Correspondent.

MONTREAL. — How really serious Canada's fuel problem is can hardly be appreciated by those who have given but cursory examination to the problem. Engineers who have studied the fuel consumption and the coal reserves of Canada and its neighbor, the United States, are impressed with the gravity of the situation and when half a dozen mining engineers delivered papers on the fuel situation at the Canadian Institute of Mining convention this week they made some striking observations. "There may be times when fuel supplies will seem adequate but difficult times will surely follow and the difficult times are not far ahead," was the way B. F. Haanel summed up.

Mr. Haanel instanced Ontario particularly, and to some extent Quebec, as in a position of extreme gravity. The other provinces, because of proximity to domestic coal areas, were in no immediate danger. But Ontario and Quebec, isolated as they were, were dependent upon American coal supplies that have a life before them of but 80 years. Bringing western coals east of Port Arthur is impracticable even with reduced freight rates. In the case of bituminous coal such a measure is out of question. Nor is there comfort, contended Mr. Haanel, in the suggestion of crude oil for fuel. Canada gets 98% of its oil from the United States. The reserves of oil in that country are estimated as sufficient for only 25 years. "This source of oil, it is easily conceivable, may fail within a short period. The suggestion of depending on oil for fuels is not only impracticable, but may actually do harm," said Mr. Haanel. Hydro-electric energy for heating purposes would prove too expensive and such energy should be reserved for those industries to which it is indispensable.

Some Practical Suggestions

Mr. Haanel ventured some more practical suggestions. There should be further development of water powers in Ontario and Quebec to continue the work of replacing fuel for industrial purposes with such energy. Nova Scotia could increase her shipments of bituminous to Quebec Province, and the establishment of coking ovens at Montreal would reduce Quebec's consumption of anthracite.

In Ontario there were two ways to conserve anthracite. More bituminous coal should be coked in by-product ovens at Toronto and other points. This might eventually replace anthracite. "It is believed," said Mr. Haanel, presenting his second method, "that approximately one-half of the anthracite coal annually imported into Ontario can be replaced by peat fuel, which can be burned during the spring and late fall or about four months of the year, while by-product coke could be burned during the four severe winter months."

Mr. Haanel also suggested central heating plants as a way of cutting down consumption of anthracite for domestic heating.

Unfair Competition in West

G. B. Saunders charged that there was an organized effort on the part of a number of Winnipeg wholesale coal firms, some controlled by American capital, to keep Canadian coal out of Manitoba, although in ordinary competition Alberta coal could be laid down at a lower price than similar grades of American coal. These companies, working together, have controlled prices, said Mr. Saunders, and because only the smaller dealers have handled Canadian coal, have made the marketing of the Canadian product, difficult. He stated that while Ontario and Quebec are suffering a fuel famine, Canadian domestic and steam coal are competing against ample supplies of American anthracite and steam coal at Fort William and Duluth.

Problem Always With U. S.

J. F. K. Brown referred to the decreasing supply and the increasing per capita consumption of anthracite coal. These meant diminishing reserves. Mr. Brown felt that the consumer would always have to face a more or less disturbed condition in the anthracite industry. Actual relief would come in time by the provision of substitute methods of heating.

Canada's Mineral Production Soaring

Canada's mineral production in 1922 was $183,000,000 or $11,000,000 above 1921, S. J. Cook of the Mining Branch of the Dominion Bureau of Statistics told the Canadian Mining Institute at Montreal. The 1922 total was under the 1918 and 1920 totals, the peak being $227,859,000 in 1920. The outstanding feature was the excellent gain in gold output made by Ontario and British Columbia. Gold advanced 31 per cent. over the 1921 output; silver, 30 per cent. in quantity and 40 per cent. in value.

CAUTION SIGNAL HELD OUT IN THE BUSINESS WORLD

(Continued from Page 1)

be done for quite a number of months to come.

That the general business opinion is that the upswing will not extend beyond the end of the year is indicated by the Bache Review, which adds, however, that the very fact that so much attention is being given to the matter is a good indication that as yet there is little danger. Further:

Possibly the best course for business to pursue is to watch the stock market, which generally collapses considerably before the business cycle does, allowing plenty of time for business to adjust itself if action is taken at once. The Wall Street Journal says that speculation in stocks automatically collapses on any real sign of inflation, and months before the much more dangerous inflation in raw materials, manufactured goods, and farm products, realizes the truth. It points to the example in November, 1919, and says that the inflation boom following the war continued for nine months after the stock market broke and deflated itself. The stock market barometer warned of the coming collapse, when retailers were loading up their shelves and the farmer was holding onto his products speculatively instead of paying off his loans.

Charges Fully Confirmed

Criticisms of policy and methods of the Ontario Hydro-Electric Commission offered from time to time through these columns again finds full justification in the report of the Gregory commission of inquiry dealing with the Central Ontario System.

This report tells in detail of the manner in which funds voted by the government for this system, which is the property of the people of Ontario and is not even nominally owned by the municipalities, were diverted by the Hydro Commission from the work for which they were voted by the government of the people, merely on the say-so of Sir Adam Beck. Further, it is emphatically stated that the government itself—the whole people of the province—is alone responsible for an outlay of $12,000,000 on this system which has been so poorly administered by the Hydro. The report recommends:

Such steps should be taken as would render impossible further diversions of funds such as we have described. The government is liable for an outlay of more than $12,000,000 in the Central Ontario System. The reports that have been made to it by the Commission from time to time, although containing much information, fall far short of giving a clear and comprehensive view of conditions as they now exist. A much fuller account of the conditions and of operations should be given annually by the Commission to the government and should be made available for the municipalities interested.

DOMINION CANNERS WILL ABSORB OTHERS

Profits During Past Year Were Three Times Those of Previous Year

Dominion Canners profits in 1922 were $267,040 as compared with $85,241 in 1921. Bond interest took $79,200 and $160,342 went to preferred dividends, leaving a balance of $27,498. The surplus now stands at $1,900,784. Surplus of liquid assets over liabilities is large and shows the company in good position. The liquid assets total $2,127,254, and current liabilities as $1,047,073. In addition to this the company holds $215,000 of its own bonds in excess of sinking fund requirements. The sum of $278,854 was set aside for depreciation on buildings and equipment, as compared with $191,927 for this purpose last year. A quarterly dividend of 1¾ per cent. on preferred stock, payable in April, was announced by the directors.

In reviewing the trade of the year it was stated that the customers of the company have been very good in meeting their obligations. The company on Dec. 1 last discounted paper to the extent of $480,260 and only $59,000 remains to be paid at maturity.

Little or none of last season's goods will be carried over to this season's pack. Present indications, based on the volume of sales during January and February, point to all stock being moved prior to the packing of new goods. Prices for the coming year were likely to be higher than those prevailing at present. By dint of economy and efficient distribution, however, the company reported that it hoped to keep prices at the lowest possible level consistent with a high standard of goods.

Domestic trade increased last year and export trade remained about normal. More activity in the latter market, however, is expected this year, owing to the fact that American canneries are likely to face a revival in their domestic markets and thus be obliged to forego some of the export trade.

The company has plans afoot to absorb a number of canneries. Full details are not made public as yet.

New High Records For Production in January

A very large increase in productive activity is indicated by the United States Department of Commerce on January business conditions, with new high records made in many cases.

Cotton goods, pig iron, steel ingots, locomotives, zinc, bituminous coal, and flooring are among the basic commodities whose January production figures show the largest output since the boom period of 1920. Sales and unfilled orders show the same upward trend, especially in metals and building materials. The large car loadings and seasonally high retail sales, as well as the general depletion of manufacturers' stocks, indicate that the goods produced are quickly passing into consumption.

MINING STOCK QUOTATIONS
Week Ending March 6

	High	Low	Close	Sales
Algonquin	10¾	8	8½	27500
Apex	4	3	4	18000
Argonaut	54¾	52	54	10000
Atlas	13½	12½	13	110000
Baldwin	12	9½	11¼	160000
Beaver	41½	40¼	40¾	34500
Buckingham	17½	15	15	117000
Clifton	23	22¼	22½	19500
Castle Trethewey	25½	24¾	24¾	32500
Columbus	10	——	——	500
Chaput-H	8	——	——	500
Conigas	2.15	——	——	100
Cons. Smelters	29	27¾	28½	2876
Cons. West Dome	24½	23½	23½	42500
Crown Reserve	44	36½	43	128885
Davidson Ex-rights	6	——	——	7500
Dome Mines	42.75	41.75	42.75	1600
Dom. Kirkland	3½	3	3	30000
Gold Reef	2⅞	2⅛	2¾	42500
Goldale	42	40	42	20725
Hattie	28½	27¼	28½	35500
Hillcrest, pref.	84	——	——	40
Hollinger	13.95	13.20	3.80	10900
Hunton	9¼	9	9	16000
Keora	8½	——	——	500
Kirkland Lake	52¾	50½	51	19500
La Rose	43½	37	38	29000
Lake Shore	3.75	3.53	3.71	10100
Lorrian	9	6	7	59500
McKinley Darragh	21	19	20¾	99500
McIntyre	19.60	18.65	19.30	4350
Mining Corp.	1.85	1.28	1.76	10000
Moneta	16	15½	16	26500
Newray	26½	26	26½	7500
Nipissing	6.25	6.00	6.10	1090
Ophir	2½	——	——	6000
Peterson Lake	12¾	11	12½	17500
Porcupine Crown	14	13	13⅞	2500
Porcupine Tisdale	1⅞	——	——	8000
Preston E. Dome	12⅞	12½	12¾	59100
Teck-Hughes	95	89	94½	70000
Thompson Krist	3½	3¼	3¼	7000
Timiskaming	32	31	32	9400
Trethewey	3½	——	——	1500
Wakenda	12½	11½	12	109000
Waspika	9	8	8	95500
West Tree	11¾	10⅞	10⅞	148500
Wright-Hargreaves	3.31	3.13	3.25	9400
Vipond Con.	75½	70	71½	17900
Churchill	16½	12	14½	3300

OAK TIRE CUTS DEEP INTO ITS OVERHEAD COST

A Saving of $50,000 a Year —Bond Issue for Current Capital

Following the annual meeting of the Royal Oak Tire Company at which plans for reorganization and retrenchment were discussed, effective steps have been taken in the direction suggested by THE FINANCIAL POST and a material improvement in the company's position is indicated. General administration and other overhead charges have been reduced to the extent of $50,000 a year and the directors consider that with plenty of business offering on a basis which should return satisfactory profits they are now in a position to make a small bond issue on the fixed assets to raise working capital.

The annual statement to the end of September showed a deficit on the year's operations. That this result followed a year of good business is explained in a failure to reduce operating and overhead charges and because of a drop in the price of materials which affected the market for the company's manufactured product as well as entailing a loss on raw materials purchased. The reduction of $50,000 a year in overhead charges, with a satisfactory volume of business offering, is said by Dr. W. M. McGuire, the newly-elected president, to insure a profitable year if working capital can be secured on satisfactory terms.

The company's balance sheet shows fixed assets appraised at $237,375 upon which the new issue of bonds would be a first charge. There are current assets of $306,330 compared with current liabilities of $182,416; the bonds would be a floating charge on the current assets as well. A present bond issue of $13,700 and a mortgage of $11,000 would be met out of the proceeds of the new issue which would be authorized at $200,000, but be issued to only half that amount.

The annual statement shows an improvement over previous documents in that it is acknowledged that of the total assets of about $2,000,000, $1,400,000 represents good will. Preferred stock outstanding amounts to $582,200, on which there would be no great realization on forced sale at this time, while the common of $1,261,545 is, obviously, water.

An Editor's Temptation

"When I was associated with Sir John Willison," said Sir Joseph Flavelle, to the export managers attending the Extension Course in Export Trade, "certain politicians, editors, and one cabinet minister were vigorously attacking Sir John in the press. Sir John entered the office one day with a letter which he showed me. That letter was signed by the man who had attacked Sir John most vigorously, and it contained a statement which completely refuted the allegations which had been made against him, and in which the signatory of the letter acknowledged that the campaign conducted against Sir John was unjust and unfounded in truth.

"Sir John Willison walked over to the fireplace, and placed that letter on the fire," said Sir Joseph.

"What are you doing? Are you burning that letter? Why do you not publish it?" asked Sir Joseph.

"I am burning it because I am afraid that I might be tempted to publish it," replied Sir John.

Disinterested Mining News

Reader, Varsity Review.—I was recently advised to invest or shall I say speculate in some of the Porcupine Gold mines and would appreciate your opinion on the following mines as a speculation: Teck-Hughes, Consolidated West Dome Lake and Clifton Porcupine.

A.M.M., Toronto.—I have been thinking of taking a flier in some of the lower priced gold stocks. Kindly let me have your opinion of the following:

100	Lake Shore	3.09	$309.00
500	Teck-Hughes	88	440.00
500	Vipond	67½	337.50
1,000	Newray	25½	255.00
1,000	Clifton	24	240.00
2,000	Moneta	13	260.00
3,000	Kenora	9¾	292.50
	Total		$2,134.00

From the answer to inquiry department in a recent issue of The Financial Post. Space forbids quoting the answer.

These subscribers to THE FINANCIAL POST wanted reliable, disinterested, mining news. They got this through THE FINANCIAL POST, and so can you.

THE FINANCIAL POST believes the coming years will see a huge development in mining. To this end it has added to its editorial staff a trained mining man, that those interested in mining developments may get authentic information.

As a subscriber to THE FINANCIAL POST you will get news of mining developments, and you will get the privilege of receiving a personal reply to your inquiries.

Tear off the coupon and send in with the $5.00 annual subscription price.

THE FINANCIAL POST,
143-153 University Ave., Toronto.

I enclose $5.00 for a year's subscription to THE FINANCIAL POST (52 issues, including Mining Feature issues).

Please have THE POST sent to

Name ....

M. Address ....

DEBENTURES

The Township of Teck offer by tender $50,000.00 six per cent. Municipal Debentures, repayable in 15 equal annual installments of Principal and Interest. Tenders close March 25th, 1923.

Particulars:—Total amount of issue $60,000.00 in two series of 10,000.00 and 50,000.00.
Rate of Interest 6%. Debentures dated April 1, 1923.
Annuity on $10,000.00 series, $1,029.63; annuity on $50,000.00 series $5,148,14.
The Debentures have interest coupons attached.
Payable at par at any Branch of the Imperial Bank in Ontario or Montreal, Quebec.
Purpose of issue. Installation of Water Works.

The Township of Teck comprises the Gold producing section of the Kirkland Lake area and is the home of the Lake Shore Mines, Wright-Hargreaves, Teck-Hughes, Sylvanite, Tough-Oakes and the Kirkland Lake Gold Mining Co. Further particulars on application to

MALCOLM CAMPBELL, Treas. Tp. Teck,
Kirkland Lake, Ontario.

Protestant Board of School Commissioners of the City of Montreal

BONDS FOR SALE

Tenders, addressed to the undersigned, marked on the envelope "Tenders for Bonds," will be received up to Five o'clock on Friday afternoon, March 16th, 1923, for the purchase of $1,500,000 Bonds of the Protestant Board of School Commissioners of the City of Montreal.

The Bonds are dated 1st January, 1922, and mature on 1st January, 1952, and bear interest at the rate of five per cent. per annum, payable half-yearly, principal and interest payable in Montreal only. The denominations are $1,000 and $500.

Tenderers must state the rate per cent. of their offers, to which the interest accrued to date of delivery must further be added. Tenders must be accompanied by an accepted cheque for an amount equal to two per cent. of the offer.

The Board does not bind itself to accept the highest or any tender.

Any further information may be obtained upon application.

SYDNEY SCOTT,
Treasurer.
36 Belmont Street.

LAROSE MINES LIMITED

(No Personal Liability)

Dividend Notice

The Board of Directors has declared a dividend of 10 per cent., equivalent to 10 cents per share, payable March 24th, 1923 to shareholders of record of March 8th, 1923.

The transfer books of the Company will close March 8th and re-open April 7th.

S. J. LeHuray,
Secretary.

Montreal, March 5th, 1923.

The Sherwin-Williams Company of Canada, Limited

DIVIDEND NOTICE

Notice is hereby given that the Forty-Seventh Quarterly Dividend of One and Three-Quarters Per Cent. (1¾%), being at the rate of Seven Per Cent. (7%) per annum, for quarter ending February 28th, 1923, upon the PREFERRED STOCK of the Company, has been declared, payable to Shareholders of record the 15th day of March, 1923, and that cheques will be mailed on the 31st instant.

Books not closed.

By order of the Board.

J. H. GORDON,
Secretary-Treasurer.

Montreal, March 2nd, 1923.

The Sherwin-Williams Company of Canada, Limited

DIVIDEND NOTICE

Notice is hereby given that Dividend No. 10 of One and One-Half Per Cent. (1½%) for quarter ending February 28th, 1923, upon the COMMON STOCK of the Company, has been declared, payable to Shareholders of record the 15th day of March, 1923, and that cheques will be mailed on the 31st instant.

Books not closed.

By order of the Board.

J. H. GORDON,
Secretary-Treasurer.

Montreal, March 2nd, 1923.

DIVIDEND NO. 13.

Southern Canada Power Co. Limited.

DIVIDEND NOTICE.

A dividend of one and one-half per cent. (1½%) on the PREFERRED STOCK OF SOUTHERN CANADA POWER COMPANY, LIMITED, has been declared for the quarter ending March 31st, 1923, payable April 15th, to shareholders of record March 31st, 1923.

By order of the Board,

L. C. HASKELL,
Secretary-Treasurer.

Montreal, March 5th, 1923.

DIVIDEND NUMBER 108

Hollinger Consolidated Gold Mines, Limited

(No Personal Liability)

A dividend of 1% upon the outstanding capital stock of the Company has been declared payable on the 26th day of March, 1923, on which date cheques will be mailed to shareholders of record at the close of business on the 8th day of March, 1923.

Dated the 1st day of March, 1923.

D. A. DUNLAP, Treas.

Town of Cobourg

TENDERS FOR DEBENTURES

Sealed tenders, addressed to the undersigned and marked: "Tenders for Pavement Debentures," will be received until twelve o'clock noon of the 15th day of March, 1923. The Debentures run twenty years and bear interest at 5½%, payable half-yearly, and amount is approximately $181,000.00, payable in twenty annual instalments. The lowest or any tender is not necessarily accepted.

A. W. YOUNG,
Acting Treasurer.

TENDERS WANTED

Sealed Tenders addressed to the undersigned and marked on outside of envelope, "Tender for Debentures," will be received up till noon on Monday, March 12th, 1923, for the purchase of the following debentures of the City of Windsor, Ontario:

$300,230.34, five and one-half per cent. Local Improvement, ten years, annual instalment, semi-annual interest coupons;

$460,000.00, five and one-half per cent. School, thirty years, annual instalment, semi-annual interest coupons;

Tenders must be for each block separately.

Debentures and Coupons payable at Windsor. Delivery of Debentures to be made purchaser at Windsor.

Debentures may as far as practicable be made of the denomination of one thousand dollars each.

No tender necessarily accepted.

Further particulars on application to

M. A. DICKINSON,
Clerk.

Windsor, Ont., Feb. 2, 1923.

Dominion Glass Company Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the PREFERRED STOCK of Dominion Glass Company, Limited, for the quarter ending the 31st day of March, 1923, payable Monday, the 2nd day of April, 1923, to Shareholders of record at the close of business Thursday, the 15th day of March, 1923.

By Order of the Board,

MERVYN OFFER,
Comptroller and Secretary.

Montreal, 15th February, 1923.

Dominion Glass Company Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the COMMON STOCK of Dominion Glass Company, Limited, for the quarter ending the 31st day of March, 1923, payable Monday, the 2nd day of April, 1923, to Shareholders of record at the close of business Thursday, the 15th day of March, 1923.

By order of the Board,

MERVYN OFFER,
Comptroller and Secretary.

Montreal, 16th February, 1923.

THE DOMINION BANK

Notice is hereby given that a Dividend of three per cent. upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 31st March, 1923, being at the rate of twelve per cent. per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Tuesday, the 3rd day of April, 1923, to shareholders of record of the 20th March, 1923.

By order of the Board.

C. A. BOGERT,
General Manager.

Toronto, 23rd February, 1923.

CENTRAL CANADA LOAN AND SAVINGS COMPANY

Dividend No. 15

Notice is hereby given that a quarterly dividend of *two and one-half per cent,* (2½% for three months ending Mar. 31st, 1923 (being at the rate of ***Ten per cent. per annum***—has been declared upon the Capital Stock of this Institution, and the same will be payable at the offices of the Company, Toronto, on and after Monday, the 2nd day of April, 1923.

The Transfer Books will be closed from the 15th to the 31st of March, both days inclusive.

By Order of the Board.

G. A. MORROW,
Managing Director.

PENMANS LIMITED

Dividend Notice

Notice is hereby given that the following Dividends have been declared this day for the quarter ending 30th April, 1923;

On the Preferred Stock, one and one-half per cent. (1½%) payable on the 1st day of May to Shareholders of record of the 21st day of April, 1923.

On the Common Stock, two per cent. (2%) payable on the 15th day of May to Shareholders of record of the 5th day of May, 1923.

By Order of the Board.

C. B. ROBINSON,
Secretary-Treasurer.

Montreal, 5th March, 1923.